

IN THE COURT OF THE TRANSPORT TRIBUNAL

TRANSPORT ACT, 1947, AS AMENDED BY TRANSPORT ACT, 1953

IN THE MATTER OF THE APPLICATION OF THE
BRITISH TRANSPORT COMMISSION (1954 No. 3)TO CONFIRM THE
BRITISH TRANSPORT COMMISSION
(PASSENGER) CHARGES
SCHEME, 1954

MONDAY, 5TH JULY, 1954

ELEVENTH DAY

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PROCEEDINGS OF THE TRANSPORT TRIBUNAL

MONDAY, 5th JULY, 1954

PRESENT:

HUBERT HULL, Esq., C.B.E. (*President*)

A. E. SEWELL, Esq.

J. C. POOLE, Esq., C.B.E., M.C.

Mr. HAROLD I. WILLIS, Q.C., Mr. E. S. FAY and Mr. KENNETH POTTER (instructed by Mr. M. H. B. Gilmour, Chief Legal Adviser to the British Transport Commission) appeared on behalf of the British Transport Commission.

Mr. GEOFFREY LAWRENCE, Q.C., Mr. LEON MACLAREN and Mr. GEORGE MERCER (instructed by Mr. J. G. Barr) appeared on behalf of the London County Council.

Mr. JOHN ELTON (instructed by Mr. E. R. Farr, Town Clerk) appeared on behalf of Barking Borough Council.

Mr. JOHN ELTON (instructed by Mr. Keith Lauder, Town Clerk) appeared on behalf of Dagenham Borough Council.

Mr. JOHN ELTON (instructed by Mr. J. Twinn, Town Clerk) appeared on behalf of Romford Borough Council.

Mr. JOHN ELTON (instructed by Mr. A. E. Poole, Clerk of the Council) appeared on behalf of Thurrock Urban District Council.

Mr. JOHN ELTON (instructed by Mr. E. R. Farr) appeared on behalf of the South Essex Traffic Advisory Committee.

Mr. G. R. ROUGIER (instructed by Mr. Archibald Glen, Town Clerk) appeared on behalf of The Mayor, Aldermen and Burgesses of the County Borough of Southend-on-Sea.

Mr. GEOFFREY RIPPON and Mr. ALISTAIR DAWSON (instructed by Mr. G. A. Blakeley, Town Clerk) appeared on behalf of Walthamstow Borough Council.

Mr. GEOFFREY RIPPON and Mr. ALISTAIR DAWSON (instructed by Mr. R. H. Buckley, Town Clerk) appeared on behalf of the County Borough of East Ham.

Mr. GEOFFREY RIPPON and Mr. ALISTAIR DAWSON (instructed by Mr. K. F. B. Nicholls, Town Clerk) appeared on behalf of Ilford Borough Council.

Mr. GEOFFREY RIPPON and Mr. ALISTAIR DAWSON (instructed by Mr. G. E. Smith, Town Clerk) appeared on behalf of the County Borough of West Ham.

Mr. GEOFFREY RIPPON and Mr. ALISTAIR DAWSON (instructed by Mr. D. J. Osborne, Town Clerk) appeared on behalf of Leyton Borough Council.

Mr. GEOFFREY RIPPON and Mr. ALISTAIR DAWSON (instructed by Mr. A. McCarlie Findlay, Town Clerk) appeared on behalf of Wanstead and Woodford Borough Council.

Mr. GEOFFREY RIPPON and Mr. ALISTAIR DAWSON (instructed by Mr. J. W. Faulkner, Clerk to the Council) appeared on behalf of the Chigwell Urban District Council.

Mr. GEORGE MERCER (instructed by Messrs Carpenter, Wilson and Smith) appeared on behalf of The London Passengers' Association.

Mr. F. A. RULER (*President*) represented the Federation of Residents' Associations in the County of Kent.

Mr. J. REID (*District Secretary*) represented the London (North) District Committee of the Amalgamated Engineering Union.

(*President*): Mr. Willis, among the matters which we said we desired further discussion about was the introduction of a 3d. fare. I think it would be convenient if that matter were to be dealt with first and separately, because, of course, if we came to the conclusion that that was both feasible and possible on financial grounds, that would dispose of the alternative proposals which you have put in?

(Mr. Harold Willis): Yes, Sir.

(*The President*): Unless, therefore, anybody has an objection and it is upheld, that is the procedure we should like to follow.

(Mr. Harold Willis): If you please, Sir, and that will of course have this further consequence, that we shall, in dealing with our views on the 3d. fare, at the same time in effect deal with the London County Council suggestions; their suggestions will marry in with that part of the case.

(*The President*): Yes.

(Mr. Harold Willis): There is this other matter which I would like to mention in regard to this aspect: As you will appreciate, the Transport Commission, in regard to the suggested 3d. fare, raised two points; one was a point on the practicability of it on operating lines, and the other was the financial point. The London County Council have put forward certain estimates in their suggestions, of the consequences of introducing their scheme. It would, I am sure, assist the Tribunal and ourselves very much if straight away we were to exchange the supporting documents which are the foundation respectively for the figure of £1½m. which we show in our Memorandum, and the figures which are put forward by the London County Council in theirs.

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(Mr. Geoffrey Lawrence): If I may say so, I entirely agree with my learned friend about that. Our tables are here ready and available to be exchanged with his.

(Mr. Harold Willis): I am sure that will save time; the experts can straight away start looking at those.

(*The President*): Very well, and I suppose that means we shall be given them—unfortunately!

(Mr. Harold Willis): Yes, Sir. In view of that indication, it would probably be convenient, therefore, if I do not seek to open generally our approach to your preliminary decision, but to go straight away to the consideration which, of course, we gave at the outset to the suggestion for the introduction of the 3d. fare.

As we point out in our Memorandum which was put in on the 22nd June, the Commission, having examined that suggestion, have reached the conclusion on two grounds that it is not practicable. May I just say that from the point of view of the position of finance in London generally, it is plain that the introduction of something in the lower stages of the ordinary fares on London Transport as a start is likely to have much less effect on London Lines, and therefore financially the Transport Commission would have found considerable advantages in adopting that suggestion if it had proved otherwise practicable.

It is against that background, Sir, that we must look at the two grounds on which the suggestion has been rejected. Of course, as the Tribunal are aware, the suggestion of single stage charging has not arisen at this Inquiry for the first time; it has been discussed at a number of previous Inquiries and has not been incorporated in any of the decisions.

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[Continued]

May I just go briefly over the main points on the practicability aspect first, Sir? I propose of course to call Mr. Valentine in due course to deal with the matter in rather more detail. The first thing that one has to bear in mind with the 3d. fare is that of course you cannot confine it merely to the 3d. fare for three stages; there will inevitably be consequential alterations at other stages of the scale, and may I make this point clear: Assume in London that there was no taper on the London Transport fares at the higher stages; assume the charge was 2d. a mile throughout, then of course if you introduced a 3d. fare for three stages, you have to have single stage charging right through the scale at every stage right up. It is only because you have a degree of taper in the higher fares on London Transport that that necessity is avoided on the present suggestion. As you appreciate, even on the present suggestion, as a direct consequence of the 3d. fare, there has to be a 5d. fare for five stages, a 10d. for eleven stages, and a 1s. 0d. fare for thirteen stages.

The Memorandum to which we have referred does indicate the sort of objections which are likely to be found. May I say that this objection to the practicability of the 3d. fare and the objection to single stage charging, is not an objection that is merely a headquarters objection at London Transport; it is something which has been constantly discussed with those responsible for the operating side, and of course that goes right down to the people who actually have to do the work—the conductors themselves. It is the absolutely clear view that the conductors' task would be immeasurably more difficult if you had single stage charging in London. The conditions in London for the introduction of this system are, of course, unique. The task of conductors on London buses is a task which even on the present basis must, to anyone sitting in the bus, appear sometimes to be an almost hopeless task and it would, in the view of the Commission, be possibly a disastrous step to make that task more difficult, and more difficult it would inevitably be if you introduced the single stage charging, because, for the reasons indicated, the risk of (a) failing to collect fares and the risk of not collecting sufficient fares, and (b) the risk of over-riding and so on, would be very much increased if this were introduced.

A rather striking figure can be given with regard to this matter: If a conductor on one of the central road services of London Transport fails, on an average, to collect one minimum fare on each trip only—that is, from one end of his journey to the other—the loss through the year to London Transport would be £342,000. That is, if he fails to collect one fare, and the point that the Commission have to have very much in their minds is this: If they feel satisfied from their knowledge and experience, and from their discussions with the people doing the job, that the risk of such a thing taking place would be very substantially increased if you had single stage charging, then one can see at a glance the vast amount of revenue which is at risk. No one can of course attempt to prove a figure to this Tribunal as to how much that would be. In their document the Commission have said that the figure which they consider might well be lost through single stage charging would run to £1m. or more, and one has to have this point very much in mind because—

(President): When you say "the figure which would be lost by single stage charging would be £1m. or more" you mean that the under-collected revenue would be £1m. or more?

(Mr. Harold Willis): Yes, Sir; at the moment I am only on the practicability side of this matter; I am not on the financial aspect at all at the moment. I am merely pointing out the view of the Commission as to the risk of losing the fares which they are entitled to from their travelling public.

It is significant, on the figure I have just put forward, that if you fail to collect to-day one minimum fare on one complete trip, you are losing £342,000—on each complete trip, I should have said; I used the wrong phrase. On each complete trip, one minimum fare not collected produces a loss of £342,000, and the Commission have taken the view that the risk of such under-collection—that being one of the elements to be considered—would inevitably be increased with single stage charging, and that there would be that increased risk

must, I think, be clear, because you have that much shorter distance in which to collect the fare and the various other matters which are set out in the Memorandum.

I think it would probably be better that Mr. Valentine should deal with this matter in the rather greater detail which I am sure the Tribunal would desire to have; but that, in my submission, spotlights the sort of risk which there is and the amount of money there is involved in it.

That is the first stage, and one has got to face up to the cumulative process here. Once it gets known by the public that the chances of avoiding paying are increased, I am afraid a certain section of the public—not, I am glad to say, a very large section, but a certain and quite sufficient section of the public—is ready to take advantage of that, and the Commission take the view that the loss which is estimated at this figure of £1m. or more might rise to a considerably greater figure if you once got to this point—and this is the important point—that you lost your standard of conducting.

At the present time the Commission feel, with the present system, that they can maintain the present standard. They take steps all the time to try and improve it, but they are reasonably confident that they can prevent it getting any worse, anyhow. But if this sort of thing is introduced, they feel that the assurance they have on that will disappear.

(President): How can you tell how bad it is? Or, to put it in more concrete terms, how can you tell how much is under-collected now?

(Mr. Harold Willis): That is an extremely difficult matter, as you will appreciate, Sir. We try and form from time to time—and of course we have to try to do it for our own purposes—some estimate, but it is not at all easy to reach any precise conclusions. But it is the view of London Transport, and I think of almost all transport undertakings (certainly those which operate in crowded urban areas) that appreciable revenue is lost by non-collection of fares and an appreciable amount of revenue is lost by the other side of the matter, by what is known as the over-riding—that is to say, the passenger who takes a 2d. ticket and who goes a stage or more beyond that distance to which his fare entitles him to go. How much that is in the aggregate, as I say, is extremely difficult to put forward.

But the Transport Commission and the London Transport Executive are confident that there is some appreciable loss and it is a matter of great concern to them that you should not add anything which may or will, in their view, inevitably increase the risk of that loss, whatever it be precisely to-day. I think this is really, Sir, the crucial point in approaching this matter, which I think no-one can possibly dispute, that to put this added burden on conductors (and indeed it will be an added burden) is bound to increase that risk, and the added burden of course will cover not only the points I have indicated, the greater effort required to see that fares are collected in the shorter time available for their collection, because if you have this single stage charging you have not only less time to collect the fares, but an added burden to prevent over-riding.

There will also be an added burden in memorising a very much greater number of individual fares. Someone gets on a bus at a certain point and says: "I want to go to so-and-so"; that involves, of course, the knowledge of the fare to that point. Sometimes we have been on buses, I have no doubt, when there is a new conductor, and you see him or her having to look at the fare chart in the bus. But if that has to be done very many times, it completely holds up the collection of fares on the bus, and it is only in the very early stages of a conductor's career that he does that. Otherwise he, being an efficient conductor, has to carry these fares in his mind, and Mr. Valentine will give you some examples as to how many extra fares have to be memorised if this scheme is introduced; they are very substantial.

For instance, if you inserted a 3d. fare for three stages on a 10 mile bus route, the number of separate fares to be remembered goes up from 100 to 152. That, of course, is a very substantial extra burden on the conductor, and it is something which the London Transport Executive feel cannot be imposed on the conductor with his other added

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[Continued]

burdens, without jeopardising the standard of collection and conducting which they have established and which they hope to maintain.

(President): It would be nothing like that figure on a six-mile route, would it.

(Mr. Harold Willis): Of course, the shorter the route the smaller the effect of that—the increase is probably proportionately the same, but the total number to be remembered I quite agree is less. The 10 mile route was taken as merely an example.

(President): Of course, the number of journeys of more than six miles is very few, is it not?

(Mr. Harold Willis): On most of the routes that would be so; there are some, of course—

(President): I am thinking of the total revenue and the total journeys, if one looks at your table BTC 803 and the others. The importance of a journey of more than six miles is, I will not say trivial, because it all works out at under 1,000, but it is relatively unimportant.

(Mr. Harold Willis): It is relatively small, Sir, but the conductor has to remember it, and the less frequently he is asked for it, the more is it a burden on his memory to remember it. If you are consistently asked the fare from Oxford Circus to Piccadilly Circus, you know what it is because you are asked so often, but if it is something you are not asked for so often, you are less likely to have it in mind.

Those, in outline, are really the considerations which the London Transport Executive and the Transport Commission desire to put before this Tribunal in regard to the practicability side, but they have reached, after very fully considering this matter again, the same conclusion that they have reached on previous occasions, that such a proposal is impracticable.

Then there is of course the second point, namely the monetary side of the matter, and in our original Memorandum we put forward a figure that the reduction in revenue from these alterations would, as compared with the scheme, be at least £1·75m. Of course if that figure is right, or anywhere near right, then quite apart from any

questions of practicability from the point of view of implementing the decision of the Tribunal, the matter is clear.

My learned friend can perhaps help me on this: We have taken the view, and have taken it quite strongly (and we are satisfied that it is right) that if you introduce these provisions on to the London buses, you must introduce comparable fares on to the London Transport railways. Mr. Lawrence, do your figures make provision for that?

(Mr. Geoffrey Lawrence): Yes, they do; I have assumed that would be necessary.

(Mr. Harold Willis): Then we are approaching the matter on the same basis, so far as that is concerned, although the figures seem so strikingly different when we come to the result. So far as the figures are concerned, I think perhaps it will be convenient if I were to deal with them first of all. I believe the Tribunal have had them, Sir.

(Mr. MacLaren): We have not had them yet.

(Mr. Harold Willis): I do not know whether I might make this suggestion: We are clearly going to be able to deal with these matters much more effectively if we each had an opportunity of looking at the other's figures. Would it be convenient to deal first of all with the practicability aspect—the operating side—before I start on the figures?

(President): Yes, certainly. Do you agree, Mr. Lawrence?

(Mr. Geoffrey Lawrence): Yes.

(President): Perhaps you do not know until you have seen their figures.

(Mr. Geoffrey Lawrence): No, except I shall not understand them until somebody on my side has told me what they mean.

(Mr. Harold Willis): I think that would be convenient. I think it would be useful then if I were to call Mr. Valentine to deal, at this stage, only with the practicability aspect of this matter.

MR. ALEXANDER BALMAIN BRUCE VALENTINE, recalled.

Further examined by Mr. HAROLD WILLIS.

3402. Let us just take certain simple matters first. We say in our Memorandum that the introduction of the 3d. fare for three stages must inevitably have certain consequences higher up the scale.—Yes.

3403. Would you just develop that point a little further?—We have tried to explain that in the second paragraph of our Memorandum of the 28th June, and I hope there is now no doubt about the necessity of avoiding any fares in a road service fare table which can be undercut by a passenger taking two tickets for component parts of his journey at separate fares which add up to less than the fare shown on the fare table. It is in fact a situation which no responsible road transport operator could allow to happen. Perhaps we have expressed it in a rather different way at the end of paragraph 2 by saying what would occur if we set out to make an attempt to include anomalous fares in a road fare table, but in fact nobody could put themselves in that position.

3404. (President): Why?—Because if you did you would be immediately faced with the inevitable request from the conductors and their representatives as to what they were supposed to charge a passenger, and you would have to tell them one thing or another. You could not say: "If a passenger happens to know he can undercut the fare, let him get away with it," and give an official instruction that where you could take advantage of his ignorance he should be charged a higher fare. You would therefore have to say that it was legitimate, because indeed it could not be prevented, to allow a passenger to take advantage of the two shorter fares which undercut the true fare.

3405. Why would you have to say it was legitimate if it was in fact legitimate?—Because that is the question I pre-supposed the conductors were asking.

3406. I know, but supposing it was plainly illegitimate for a person to get a cheaper rate by splitting it into two bits, then the instructions to the conductor in that

case would be that he must treat everybody who tries to take two tickets as being bound to pay the larger sum. You are putting forward, or you are attempting to say, that you have a difficulty as to what the conductor must be told?—I do not understand how that could be made to work at all, because the passenger would not declare at the outset, under that arrangement, his intention to make a longer ride; he would simply buy a ticket for the first part of his journey. He then over-rides the first ticket and buys a separate ticket for the second part of his journey. How could you make it illegal, I am asking myself, for him to pay for the second part of the journey the advertised and legal fare for that part?

3407. It is quite easy to make things illegal by putting suitable words in the scheme. It is a little doubtful, in my view, in the scheme as it stands whether a passenger is entitled in cases where he can do it, to break his journey and buy two tickets; but if it is doubtful, it can be made perfectly plain that anyone breaking his journey has to pay the fare for the whole journey, just as if he had taken the whole ticket.

(Mr. Harold Willis): But you could not prevent the passenger from stepping off the bus and stepping on again, and anybody who was anxious about that could readily do that.

(President): Yes.

(Mr. Harold Willis): And that would make the thing even more ridiculous, I would submit, in the minds of the travelling public. But that is the way in which the thing could be ridden through.

(President): Let us leave it for the moment that the passenger steps on and steps off the bus. The man who is prolonging his journey, we will call it, beyond his original ticket can be made to pay in law the fare for the actual journey, provided the law says that is what he has got to do. Mr. Valentine is saying there is some difficulty about giving instructions to the conductors. The

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Mr. ALEXANDER BALMAIN BRUCE VALENTINE

[Continued]

instructions to be given to the conductors will depend very largely on what the law is and whether the Commission would to enforce it to the fullest extent.

(Mr. Harold Willis): I think Mr. Valentine's answers were based on the assumption that the passenger would be entitled, as a matter of law, having gone his 3d. distance, then to say: "I have now changed my mind", as passengers frequently do to-day, without any sinister intention at all. "I have changed my mind; I have remembered that I have to go on somewhere else, so I want to take another fare for a further distance."

(President): That is done on the railways, and in law, as I understand it, the railway is entitled to make them pay the full fare, and not merely the fare for the distance over the cheap journey; in law it is able to make them pay the full fare.

(Mr. Harold Willis): But I think not on the buses. I think there is no law applicable on the buses.

(President): No, not on the buses.

(Mr. Harold Willis): And certainly the present practice, and I think that is what was in Mr. Valentine's mind when he was referring to this matter, is that that is permissible, and you would therefore have to instruct the conductors as to how they were to approach that particular problem.

(President): Plainly the conductor would have to be told to do whatever the law entitles the passenger to do.

3408. (Mr. Harold Willis): If the scheme provided that a fare for a particular journey was to be more than the aggregate of two bits of the journey, if taken on a separate fare table no doubt that could be, as a matter of law, included in the scheme, and as a matter of law an attempt could be made to enforce it. (To the Witness): But is this not right, that if you had that position, it would produce in practice, whatever the law might be, some very curious results?—An attempt to enforce it I think would be quite bound to break down, and also to bring the—

3409. The law into disrepute?—It would bring the operator into disrepute and ridicule, because it could be defeated, as Mr. Willis has explained, by a passenger stepping off the bus and stepping on again without any delay to the passenger, except where it involved his joining a queue; but for a large part of the time he would be able to nip off the bus and step on again and defeat the law. In any case it would also present a very serious additional complication in the collection of the extra fares, which is what it would amount to for the conductor, who would have to make all the calculations between differences of fare which do not arise to-day, and he would need to have additional tickets for that purpose.

(President): Yes, but my only point now is that I am not particularly impressed by the penultimate sentence in paragraph 2 of the Memorandum.

3410. (Mr. Harold Willis): That was put in for reasons which are clear; the conductor must be given clear instructions one way or the other on a matter of this kind. What was felt was that the conductor must be given instructions which do not enable the more astute passenger to profit, whereas a less astute passenger does not profit. (To the Witness): Is that right, Mr. Valentine?—Yes. It was not our intention in drafting this paragraph to make the point that not only must the conductor be given clear instructions, but it would be quite impossible to work a system under which the fare for the longer journey was less than the fare for the two component parts of it, because in that event any instruction which we give would not be workable in practice.

3411. (President): Yes; that is a different point.—Yes, Sir; that is the point which above all we are seeking to make clear.

(President): Yes, but it is a different point from the point made in the penultimate sentence of the paragraph.

(Mr. Harold Willis): Perhaps I could just read this paragraph, Sir?

(President): It is the penultimate sentence of the paragraph.

(Mr. Harold Willis): "The management would be bound to instruct the conductors in such cases to advise the

passenger that there was nothing to prevent him making a saving in this way, and, having given such an instruction, the management would quickly be brought into disrepute, if they continued to show the higher inoperative fares on the fare-tables."

(President): If the law was that the passenger was not entitled to make this saving, the management would not be bound so to instruct him.

3412. (Mr. Harold Willis): This is on the supposition that as a matter of law, as it always has been, the passenger having taken a 3d. fare and wanting to go on, can take a further ticket. (To the Witness): That has always been the practice, has it not?—Yes, and in fact to-day if he changes his mind in the course of his journey and rides further than the distance which is covered by the ticket which was first given to him, he may be involved in a larger total charge. That applies especially to the 2d. minimum fare; he may be involved in a larger total charge than if he had taken the right decision in the first place and had asked for the ticket for the real journey which he eventually makes.

(President): Yes; paragraph 36 in the Scheme is in fact open to doubt as to what its interpretation may be. Now let us go on to the real point about impracticability.

3413. (Mr. Harold Willis (to the Witness)): That is the need for the consequential. I was right in this, was I not, that if you did not have any element of taper in the higher stages, you would have to have these single fare charges all the way through?—If there were no taper, that would occur all the way through at the odd numbers of stages—what they call for convenience the half-mile distances.

3414. I think we can pass now to the rather different aspect of this matter; that is the practicability from the point of view of the task of the conductor. Let me ask you this at the outset: The London Transport Executive has formed a certain view of this matter, has it not?—Yes.

3415. Is that a view which has been formed after consideration of the problem on a number of occasions?—Yes, certainly. The question has been before us over as many years as I can remember, and it has often been reconsidered.

3416. The point did come up on a number of earlier Schemes, and you have given evidence about it?—Yes.

3417. And in reaching that decision, has the Headquarters side of the Executive discussed the matter with the operating side?—Certainly. It has been put to the Operating Managers quite objectively as to what their views would be upon such a scale of charges. They were not invited to find criticisms of it at all, but to consider its merits and report upon it. A number of managers were instructed to take the opinion of the man out in the field, and the views that were expressed in our memorandum of the 28th June are the very strong views of those who are responsible for practical operation, even the views of the conductors who have been consulted on the subject, including particularly those most experienced conductors whom we have ourselves selected as instructors of new conductors. That conviction is consistent throughout, namely, that the difficulties of the conductor would be very seriously increased by a system of single stage charging under London conditions, which would be bound to have a bad effect upon the efficiency with which they could collect all their fares.

3418. Is the position today that the Executive feel that the standard of collection which has been established, although not necessarily perfect, is one that can reasonably be maintained?—Yes. It is a constant effort and it has been a problem with us particularly since the war, to try and improve our standard of fare collection, which we have some reason to think deteriorated a bit after the war and which we hope we are getting slowly bettered; but it is a hard struggle and it requires a great deal of constant effort even to maintain the standard of efficiency of fare collection that we have now.

3419. And is the standard of fare collection something which has a very vital effect on the finances of the London Transport Executive?—Certainly; that must be so.

3420. I gave the Tribunal an example a few minutes ago of the money side of failing to collect a fare.—Yes, I think you said, quite correctly, that if the conductors on

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MR. ALEXANDER BALMAIN BRUCE VALENTINE

[Continued]

the Central Road Services failed on an average to collect only one minimum fare—that is on the end-to-end journey of a bus—

3421. (President): Is that out and home?—No, Sir, not the round trip. It is a single trip from A to Z, not back from Z to A. We use the word "trip" for going from one end of the route to the other, or whatever the particular terminal point may be. If the conductors on the Central Road Services failed to collect only one minimum fare per trip—

3422. (Mr. Sewell): That is, 2d.—Yes, Sir—the loss would be £342,000. The loss would occur also, of course, from over-riding, if two passengers per trip travelled into one stage beyond the availability of their ticket, or were booked one stage late, and in consequence underpaid the correct fare by 1d. It will be seen at once from those figures, which are a straightforward calculation of fact—

3423. (President): It means that there are about 400,000,000 trips?—I have not the total in that way.

3424. (Mr. Harold Willis): I could show you the arithmetic of this in due course, Sir. (To the Witness): You have had the arithmetic done for you, have you not?—Yes. We have published this figure before, only it was then in relation to a 1½d. fare; it was about three years ago. At least, we published it to our staff.

(President): I can myself multiply 342,000 by the appropriate number; I imagine that it comes to about 400,000,000.

(Mr. Harold Willis): I am told that it is 41,400,000, Sir.

3425. (Mr. Poole) (to the Witness): I think you gave us figures at an earlier Inquiry with regard to one per fare stage; if one 1½d. ticket for each fare stage was not collected, it would decrease your income by a certain amount?—I do not remember having given a statistic in that form, Sir, but I may have done so at a previous Inquiry.

(Mr. Poole): Yes, I think you did.

3426. (Mr. Harold Willis) (to the Witness): But those figures and their proportions are such, are they not, that the London Transport Executive are very mindful of the importance of efficient fare collection?—Yes. Of course, it must have been obvious to those who followed those proceedings at previous inquiries, not only since the Commission was established, but at the Inquiry held by your predecessors, Sir, when they were sitting as a Consultative Committee during the war, that London Transport has constantly been laying emphasis on the great importance of simplifying the fares system so as to simplify the task of the conductor; and many of the points made in that connection were acknowledged at length and accepted in the reports of the Charges Consultative Committee, certainly in two of them which were published during the war. I would like also to remind the Tribunal that in 1950, when we put up the first Charges Scheme under the 1947 Act, a considerable amount of evidence was given, and I thought I could assume accepted from the result, to the effect that it was most important to avoid any kind of feature in the fares system which tended to slow up the work of the conductor. We said at that time, in 1950, that if in spite of some views which were expressed by some Objectors to the contrary, we could get rid of such complications as transfer of tickets, return tickets at less than twice the single fare, and if we could as far as possible avoid halfpennies, with all the complications of change-giving, and if we were as far as possible restricted to the present number of denominations, and not committed to an increased number, on any given route, we would be able to ease the conductor's task to that extent, and ensure at any rate no deterioration and, we hoped, some improvement in the task of fare collection.

In 1950 incidentally, one of the simplifications of the system which we introduced was to get rid of the only batch of single stage charging that we had inherited from our predecessors. There was a section in West Ham, it will be recollected, on which there had before the war been half-mile charges interpolated between the normal standard charges for whole miles. In the process of simplifying the system and getting rid of these individual features that cumulatively had an adverse effect on the conductor's work, we dropped that single stage charging without, I might say, any protest in consequence at the time; and the attitude of London Transport and its predecessors, as I have said, has always been the same,

because even when the London General Omnibus Co. had to adopt on their bus routes passing through West Ham, single stage charging in that Borough, they did not carry the effect of that single stage charging into the longer distance routes that crossed West Ham, but actually reduced fares—introduced a taper—so as to prevent single stage charging extending further up the scale. That indicates that the same view has been taken by London Transport and its predecessors for a great many years indeed—in fact, as long as I can remember.

3427. Have you from your own knowledge and from your discussions, any doubt at all that the introduction of single stage charging which is involved in the 3d. fare, would affect the task of the conductor?—I am quite certain that it would, very seriously. We put into our memorandum of the 28th June, a statement in paragraph 11, which says: "It is not possible to calculate the loss of revenue which would arise from the decline in efficiency in fare collection subsequent upon the introduction in London of a system of single-stage charging, but it is considered that the minimum loss from this cause alone would exceed £1 million per annum and might, with progressive deterioration, reach a considerably higher figure." The figures I gave a moment ago about the losses resulting from one fare missed, or two passengers over-riding, per bus trip, show that £1m. would be lost on Central Road Services alone if only three additional passengers per trip escaped payment; or, what perhaps would be the more likely result of single-stage charging, if only six passengers per trip underpaid to the extent of 1d. It is my definite conviction that the risk of additional loss on the more complicated system of single-stage charging would be considerably greater than that. The wording in the memorandum is: "It is considered that the minimum loss from this cause alone would exceed £1 million per annum", and I certainly fear that it might prove to be considerably more.

3428. Is this a fair approach to the problem generally—we can deal with this before we deal with the more detailed side—that if the standard of fare collection once gets lost, it is very difficult to know at what lower level it can stabilise itself?—That is, I think, certainly true. If on the one hand the conductors themselves feel that they have been given an impossible task, and that too often and not only on a rare occasion, they are simply unable to collect all the fares correctly, and they know that there is a lot of undercharging inevitable but that they cannot identify the passengers in the time during which they ought to have their fares collected, they themselves are bound to lose heart and not to have the faith in themselves that they can do the job effectively.

3429. The conductor has to feel on top of it; he has not to be unduly dismayed by the difficulties which beset him at certain times of the day?—Undoubtedly that is so; and one knows with an inexperienced conductor that in his early months he loses control of the bus altogether at times, and no doubt on the particular trip during which he loses control, severe losses from underpayment or non-payment do arise. We would, however, be putting our experienced conductors in a serious difficulty all the time—at least when there was heavy traffic—if we gave them the additional complication of their task resulting from the single-stage charging. I have said that it is a question of risk of progressive deterioration of the standard of fare collection; I think it must be obvious that if passengers increasingly found that they were being undercharged, the temptation to ensure that they were undercharged would become increasingly great and there is surely no doubt that the small minority of people who do exploit the opportunities of non-payment or underpayment would grow in numbers quite considerably. Once a situation of that kind is allowed to arise, I should be very, very much afraid that it might go a long way, and get right out of hand. There are cities of which I know where fare collection standards have reached an extremely low level, and the task of building them up again to a decent standard is almost a hopeless one.

3430. So that it is something which, in the view of the London Transport Executive, is to be avoided at all possible cost? Yes, indeed; and as I have said, all our efforts for years and years have been directed towards simplifying, rather than complicating, the task of the conductor, and the stress that we put on that at these hearings is, I think, evidence of the importance that we have always attached, for this reason, to that matter.

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[Continued]

3431. And you would regard the single-stage charging as a very retrograde step in that process?—Yes, mainly because of the reasons which are set out in paragraph 7 of our Memorandum on the 28th June. In saying that I am not, of course, belittling the importance of the points in paragraphs 8 and 9.

3432. But paragraph 7 is, in your view, the most important?—That is where the trouble really begins, and is most acute.

3433. Perhaps we might look at paragraph 7: I will just read it out, and if there are any additional points which you wish to make as I read it, perhaps you will be good enough to make them: "The average speed of the central road services of London Transport is a little over 11 miles per hour. Fare-stage points are, on the average, about half-a-mile apart. The average time available to the conductor for the collection of fares between consecutive stage points thus works out at about 2½ minutes. In the inner part of the central area, where the speed is below average, or in any places where a particular stage is much longer than the average, the time between consecutive fare-stage points may be increased to about 4 minutes. This time, however, includes time spent at stops, when the conductor should be on the platform controlling the boarding and alighting of passengers".—Yes; that is a most important point.

3434. If a conductor is collecting fares, is it not his duty when he gets to a stop, to stop collecting and to go down to the platform to see that the people are getting on and off, and to give the signal when the bus is ready to move?—Yes, that is right.

3435. And he cannot do that if he is using that time to continue with his fare collection?—That is quite right, and if he does not go back to the platform, it is often a cause of delay to the vehicle; the vehicle loses time and in consequence gaps in the service develop and also bad running, from which the passengers suffer in the end.

3436. And it is true, is it not, that the risk of losing fares occurs most at the crowded times, when there are a lot of people in the bus?—Yes, generally speaking that is true, especially when there is a frequent turnover of traffic.

3437. Yes—people getting on and off. At those times, is it not particularly necessary for the conductor to be on his platform to prevent, for example, too many people crowding into the bus?—Yes.

3438. The bus may have to be delayed in order to make the surplus people get off?—Yes; the rate of boarding and alighting is considerably improved by having the conductor on the platform.

3439. (Mr. Sewell): Do you expect the conductor to be on the platform when the bus is standing at traffic lights?—No, Sir.

3440. (President): But he is sometimes there to give the people the warning to be careful, because the bus is only stopping at the traffic lights?—Yes. There is no rule which says that he should be there, but it is desirable that he should prevent people boarding and alighting when the bus is starting, not on the signal of the conductor, but in accordance with the traffic lights.

3441. (Mr. Harold Willis): And in crowded conditions, when there is a queue at a stop 100 yards down the road, quite a lot of people will try to hop on at the traffic lights, if the bus has stopped there, so as to avoid that queue?—Yes; I regret that that is another difficulty with which the conductor has to contend at times.

3442. Passing back to the collection point, is the ideal that the conductor should get round his bus once between every pair of consecutive fare-stage points?—Certainly; that is the only absolutely safe way of ensuring the collection of all the fares and the payment of the correct amounts. It is subject still, of course, to the need, so far as the conductor can do it, of preventing over-riding at the end of the journey, by remembering the individual passengers and what they have paid.

3443. (President): He is only supposed to go round once, is he not, between each pair of fare-stage points?—The rule is not quite as rigid as that, Sir. He should go round, as far as possible, after leaving each fare-stage point, but if a passenger boards intermittently between fare-stage points, he does not automatically get charged from the next one; he should have his fare collected

as if he had boarded at the previous fare-stage point. If a number of passengers board between fare-stage points and go on to the upper deck, which has already been covered, the conductor ought to go up again, if he can possibly do it at the time; failing that he must try to memorise those passengers and charge them back from that point when he reaches them later on.

3444. But surely if there is a request stop fairly close to a fare-stage point, and a number of passengers get on there, the conductor, in the case of those passengers, will only have half a stage or less to do his collection?—That is right, Sir.

3445. In other words, in respect of those passengers he will only have half the 2½ minutes, or half the three or four minutes, which he has for the whole stage?—Yes, that is quite true; but while there are no doubt exceptions, the heaviest loading and boarding of vehicles does tend to occur at the fare-stage points, because in the first place they are fixed as important traffic objectives, and there is also the fact that because they are fare-stage points they tend to be more used, because it is to and from those points that you get the fullest value for your money.

3446. But there are still a number of passengers to-day whose fares have to be collected during half this period of three or four minutes, if the conductor is doing his duty; it is quite a considerable number, is it not?—Yes, but it must be a relatively small proportion of the total.

3447. It would depend upon the route, of course?—Yes. Of course, an experienced conductor on a route which he knows will be able sometimes to anticipate those situations, and he might defer his one visit to the upper deck until after that request stop has been completed. I would not know from personal knowledge what tricks he would adopt, particularly suited to the conditions of the route, but I am quite sure that the efficient conductors do that kind of thing.

3448. But if he deferred it until after a busy request stop had been passed, he would have to collect from more passengers in a shorter period?—Yes, Sir, but he has two decks to deal with, and his upper deck is his most dangerous point for losing fares. However, I do not think I ought to give detailed evidence on how the most efficient conductors do that kind of thing, because I do not really consider myself a master of that particular subject. Individuals would vary in their techniques—there is no question of that—and an experienced conductor will use somewhat different methods according to the routes he is on and according to the particular traffic he has to deal with.

3449. What I am suggesting to you at the moment is that one must not proceed with this discussion of practicability on the incorrect hypothesis that everyone gets on and off a bus at a fare-stage point?—No, Sir—nor on the incorrect hypothesis that all the fares are being collected satisfactorily now. What I am afraid of is a serious worsening of the position if single-stage charges are introduced, mainly for the reasons which are given in the paragraph which we are reading.

3450. (Mr. Harold Willis): I will pass on; it is said here, after setting out the ideal: "But it is often impracticable, under heavy traffic conditions, for him to do so and collect all the fares due, even from those boarding at the fare-stage point, let alone those who boarded immediately"—that is what we have been dealing with—"during the journey of the bus through only one fare-stage, a period seldom more than four minutes and often much less".—Yes. The only comment I would like to make there is that it is making this statement in a very moderate form to leave the figure of four minutes in your mind at that point. I think we should go back to the fact that the average is 2½ minutes, and although this figure of four minutes is, I hope, quite properly introduced inasmuch as the average speed is lower, as it tends to be, in the crowded hours in the central area, the fact that the average is 2½ minutes shows that there are many other circumstances in which even less than 2½ minutes is available. There is also the point that heavy passenger traffics from the point of view of the conductor, are by no means a feature of the central area only; that feature arises throughout the built-up areas of London, particularly in certain circumstances—it is not a peculiarity of the central area only.

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3451. Then it is said: "Very frequently, the conductor will collect the fare after the passenger has travelled beyond the next stage point"—that is inevitable to-day in certain circumstances?—I do not know whether I would say it is inevitable; I suppose an exceptionally efficient conductor would probably deny that he ever gets into that position.

3452. But with the general run of conductors it is bound to happen sometimes?—Yes.

(Mr. Sewell): I have very frequently been asked where I have got on.

(President): I have very infrequently been asked that; I think I must have a more honest face.

3453. (Mr. Poole): I very frequently get asked. I get on at Charing Cross, and the conductor usually does not come round to me until after we have passed Green Park Station during the crowded times, and it is to Green Park Station that I usually go. It is route No. 9, which I use to the office, and I know what the fare is, and I tell him; but there are rather short stages, from Charing Cross to Piccadilly, and from Piccadilly to Green Park.—Yes, Sir; he is nearly at the end of his second stage before he reaches you, but he is not beyond the second stage, unless he does not reach you until after Green Park.

3454. He comes round after Green Park Station; I have noticed that very frequently. If I am on top, I generally get asked for my ticket after Green Park Station, and I get on at Charing Cross.

3455. (President): He may have memorised your getting on. It is very largely memory, is it not, Mr. Valentine, that they have to depend on?—In selecting the correct fare?

3456. Remembering backwards?—After a second stage, yes. That is what we go on to say in this Memorandum, that the conductor endeavours to memorise, or should endeavour to memorise, where each passenger boarded, but I think it would be asking too much to suppose that conductors can always do that, and not forget any of their passengers; indeed, there are times when they are necessarily too busy even to note the appearance of passengers boarding at a very busy point where they also have alighting traffic to deal with, and clearly they could not be expected to be successful in memorising all the passengers as they come on and relate them later in their minds to the point at which they boarded.

3457. (Mr. Harold Willis): But assume he has been unable to memorise them, he has two alternatives facing him: He can assume Mr. Poole boarded at Green Park stop or rely on the passenger to say where he boarded.—Yes.

3458. And where he assumes that the passenger did board at the most recent stage point, then as things are at present he will charge the correct fare in 50 per cent. of those cases?—That is so, yes, on the average.

3459. On the average, yes. What would be the position where there are single stage charges?—Wherever the single stage charging is in operation, of course, he will always be undercharging where he assumes the passenger boarded at a stage point beyond that at which he did in fact board.

3460. In half the cases it does not matter whether the passengers boarded at Green Park or the previous stage point.

(President): Mr. Poole boards at Charing Cross.

3461. (Mr. Harold Willis): He is rather exceptional. (To the witness): Where is the nearest stage to Green Park?—Piccadilly Circus. I do not think Mr. Poole's example is very characteristic.

3462. (Mr. Poole): I am sure it is not.—He is talking of a case we are not dealing with here; he is talking of a case where the conductor takes the tickets two stages late. He is sunk under either system in that case.

3463. Assume here that there is a Piccadilly stage point and a Green Park stage point; a failure to collect until after Green Park will have what effect?—Under the two-stage charging system we have at present, it will not really make any difference to the amount paid in 50 per cent. of the cases.

3464. Dependent on whether the passenger wants to go an even or odd number of stages?—Yes.

3465. But if you have single-stage charging there is bound in every case to be an undercharge?—Yes. I think it might assist the Tribunal in understanding the way this difficulty would be felt by the conductors if I gave an example which was given to me the other day by one of our specially selected, experienced conductors who is used regularly for training new conductors and whose opinion has been taken on this proposal. He himself, when he is conducting, is working on Route 46, the section of which between Notting Hill Gate and Victoria is probably familiar to a fair number of people in this room. What he explained to me was that this difficulty would arise quite acutely in relation to traffic between Notting Hill Gate and Sloane Square. The correct fare at present is 3½d. Under the Commission's proposals this would be 4d., the distance being 4 stages. The intermediate stage points are Barkers, the top of Exhibition Road, Knightsbridge Station—that is to say, the top of Sloane Street—and then Sloane Square. After the bus leaves Notting Hill Gate there is a stop in Kensington Church Street at Sheffield Terrace, and the conductor must be on the platform there to supervise passengers boarding. This conductor says it is seldom possible to get round his bus completely before it reaches Barkers, he will have done part of it, but not the whole. He again has to be on his platform at the bottom of Kensington Church Street.

3466. (President): When did he cease to be on this route?—He is on it now, when he is not instructing.

3467. I should have thought three times out of four the bus is held up at the bottom of Kensington Church Street before it turns to the left to stop again outside Barkers.—I do not know about three times out of four, but it will be not infrequently checked there.

3468. The traffic lights are quite long; however, if he cannot, he cannot.—Still, that would not give the conductor a golden opportunity to go on with his collection of fares. He has his stop at the bottom of Kensington Church Street, Sheffield Terrace and his other stop round the corner at Barkers, and he also has at that point the risk of passengers seeking to board at the traffic lights; it would be difficult for him to take advantage of that to any great extent for fare collection. In any event, this conductor's view is that, having regard to these intermediate stops and the amount of traffic at them, it is seldom possible for him to get round his bus completely before it reaches Barkers; he does not say it is never possible, but seldom possible. Then at Kensington Church Street the bus frequently picks up about 20 passengers at that point, including some passengers for Sloane Square. On leaving Barkers the conductor will continue to collect his fares but under the single stage charging the fare to Sloane Square from Barkers (applicable to those who boarded at the top and bottom of Kensington Church Street), if there is a 3d. fare for three stages, would be only 3d. compared with the 4d. under the Commission's proposals. As a result, number of the passengers who boarded at Notting Hill Gate may then only be charged from Barkers because the conductor has not succeeded in collecting his fares up to that point, so they will only pay 3d. instead of the correct fare of 4d. That is the way in which the initial trouble will arise of lost revenue through inability of the conductors to collect the full fare from all the passengers involved. It does not need, as I have said before, a very large number of such cases to appear to run into very considerable loss of revenue.

3469. (Mr. Harold Willis): That is the significant point here, is it not, Mr. Valentine, that a very small deterioration in the present standard of fare collection has such a big repercussion on revenue?—Yes; you see, it is not suggested that on every trip six of these Notting Hill Gate passengers would be undercharged from Barkers, but that that same sort of situation will arise at many points all of the way through the length of the route. This is only one particular journey, Notting Hill Gate to Sloane Square, that is used for the illustration, but on the full length of the Service 46 there will be other points where the same kind of difficulty will arise, or sometimes arise. As we have said, if on all of the trips only 6 passengers on the average were to be undercharged by a company because of that single-stage charging

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system where they would not have been undercharged by 1d. under the present system, then there is 11m. lost on the standard of fare collection efficiency in Central Road Services alone.

3470. In Paragraph 8 reference is made to the increased risk of deliberate over-riding.—Yes, the effect on passengers who are ill-intentioned could be very considerable, under the single-stage charging system. In the first place—I do not think this point is made in Paragraph 8, but I have said it this morning already—once passengers begin to find that undercharging is becoming increasingly common it is likely to prompt some of them, unfortunately, to take advantage of the deteriorated standard of fare collection resulting from the conductor's own difficulties. The point that is made here in Paragraph 8 is that the possibility of overriding a short distance in order to save some part of the full correct fare will arise for far more passengers under the single-stage charging system than it does under the present system. For example, as stated here, a passenger here today making a journey of 1½ miles, and perhaps we should have said and starting from a fare stage point, has to override for ½ of a mile and run the risk of being detected by the conductor in order to pay the next fare below his proper fare in the scale. But if there is a separate fare for 1½ miles, then he is exposed to the risk of detection if he attempts to pay the 1½-mile fare instead of the 2-mile fare which is his proper fare, for a very much shorter distance, and he is much more likely to escape detection.

3471. Although he is not perhaps saving so much money, he is doing something which he is much more likely to get away with?—Yes. It is quite true that the amount of money involved in the saving is likely to be less on the average—well, certainly less on the average on the single-stage charging system than it is on the present system—and those who are overriding today the particular point between 1 and 2 miles are saving 1½d., the difference between 2d. and 3½d.

3472. Is it your experience, Mr. Valentine, that it is the small overriding which cumulatively is the important one, rather than the more blatant overriding for longer distances?—I think that must be so, yes.

3473. I mean that overriding for a substantial distance is something which very few people are likely to do unless they are very dishonest, but overriding on a short distance is something that a number of people might be tempted to do.—I do not know whether I would say it is proportionately more prevalent in the short journeys than in the longer journeys. People still may be only overriding a short distance.

3474. It is a greater attraction to override short distances than long?—Yes, but to override short distances both on long and short journeys.

3475. Yes, I agree; I was not attempting to differentiate between those two?—Yes, as a result there would be a larger proportion of people tending to pay us less than they ought.

3476. It is not suggested that the large majority of passengers are ill-intentioned, but you only have to have a few ill-intentioned ones to have the financial results we have indicated.—But we think it is a very important part of our duty to prevent the system developing into one in which the honest passengers have to pay still more on their fares to make good the successful evasion of the dishonest.

3477. You think it is your duty so far as you possibly can to make fare evasion as difficult as possible?—Certainly.

3478. (President): Seeing a person does not override must almost entirely depend on memory, must it not, apart from the visits of a travelling inspector?—Yes, I think that is so, Sir; it must.

3479. It depends on the conductor, at any rate, having a rough idea that a man or woman sitting on the second seat from the front on the top of his bus took a ticket to Charing Cross and therefore he will notice him being still on the bus when it gets to Aldwych.—That is the sort of thing, and it is not necessarily memorising the passenger by his position in the bus, but by some other characteristic.

3480. But that is the only way in which it can be checked now, is it not, Mr. Valentine?—Yes.

3481. In practice?—Yes, unless a conductor, having forgotten all about the passenger, is lucky enough to press him for a fare, thinking he is a new passenger. He might make that mistake, and the passenger would have to produce a ticket and then it is looked at and: "Oh, you've gone beyond the point, Sir". That is a possible circumstance in which an override could be detected.

3482. I am a fairly heavy contributor to the Central Bus services of the London Transport Executive, but I have not often seen that happen—a man being asked for a ticket under the impression he had not yet taken one at all, and it being found that he had a ticket but it did not entitle him to be where he was.—It could happen with a conductor who is persistent in asking for "any more fares, please", looking directly at a passenger as if to suggest that he had better wake up from his reading and produce his money, and the passenger is in fact in possession of a ticket on which he has already overridden; and his obvious course there is to produce the ticket, not realising he has overridden.

(President): But the dishonest one who has overridden looks at his boots and goes on looking at his newspaper. The honest man might not be aware he is overriding. There is an astonishing amount of ignorance, which I share, about request stops and fare stages. Although I have been on the route fairly frequently for the last 20 or 30 years I would not pledge myself to pass an examination as to where each fare stage is between Chancery Lane and Kensington High Street. I would pledge myself to know where I could get on a bus, but which are the fare stages and which are not is another matter.

3483. (Mr. Poole): A request stop may be a fare stage.—It may be, but not all, particularly not in the Central Area.

3484. (President): I am only saying there is a certain amount of innocent overriding.—Certainly there is, yes.

3485. And unless the collector remembers the particular passenger, that innocent overriding will remain innocent and free?—Yes.

3486. Under any system?—Yes, under the single-stage charging system there would be a large amount of overriding.

3487. (Mr. Harold Willis): There is some innocent overriding, and some deliberate overriding which is inevitable however good the memory of the conductor may be. What we are anxious to prevent, Mr. Valentine, if I understand your evidence, is the introduction of any new system which is going to increase the opportunity for overriding, particularly the opportunity for deliberate overriding.—Yes, that is so. Very definitely, yes.

3488. That is the important thing; we all agree that it is probably impossible to prevent some overriding today, but it has important financial repercussions, and in your view, Mr. Valentine, no opportunity for its increase ought to be contemplated if it can be avoided?—I certainly agree with that way of putting it, yes.

3489. (Mr. Poole): Mr. Valentine, in one of the previous inquiries you mentioned machines. In fact, the first time you mentioned it, if I remember rightly, you said the introduction of this charging by single fare stages would destroy the possibility of the use of machines, and the second time you rather modified that, and I think you said then that the machine that you were now using would allow for 14 separate fares?—Yes. That is right.

3490. And anything over that would be two weighty for the conductor to carry?—Yes.

3491. In this Memorandum you have not mentioned machines at all. Does the question arise?—It does arise, yes.

(Mr. Poole): Have I gone ahead of you, Mr. Willis?

3492. (Mr. Harold Willis): I think this is a good moment to deal with it; Mr. Valentine was going to touch on it. I think it will be convenient now and I am much obliged to you. We will get it out of the way straight away.—The introduction of single-stage charging would, of course, affect the efficiency of the service to the disadvantage of the passengers by increasing the number of separate fare values required to cover all the travel within a given range of distances, and restrict the usefulness of the ticket machines for that reason. On the road services that would work in this way, it would mean that the issue of two tickets to cover the fare, which is a

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process that slightly slows down the work of the conductors, would become necessary for an increased proportion of the passengers. All the denominations available on the machine would get used up within a shorter total range of distance. On the railways—

3493. (Mr. Poole): Before you leave that, Mr. Valentine, would you tell us just at what point that would arise in terms of the value of the fare. I did work it out myself, but I was not quite certain about the children's fares, how they got involved.—I do not think I have that exactly handy. Where the issue of the two tickets would begin to arise?

3494. Yes, that is what I meant.—It depends entirely on the precise form of the proposal, the way the children's fares are dealt with; and on very long routes it might be different, because you would have to reserve one of the denominations for a high fare. But I could get you the answer to that; I am not quite certain.

3495. I do not know whether it is very important. It is important if it is going to mean that that point is going to be reached at a very much lower position than it is at present.—It would be reached at a much lower position than at present if only the additional fares in the scale that are shown in the Appendix to our Memorandum of 28th June in Column 8 are introduced. But there you will see there are four additional adult fares introduced within a range of 7 miles—the first 7 miles, but some of those denominations may already be on the machine for the purpose of children's fares, and I cannot say offhand exactly how much sooner the issue of two tickets for one fare would normally begin, but I think I can get the answer in a few minutes' time.

Ticket machines can come into the picture, too, of course, if certain odd denominations are introduced into the scale of fares which are not provided for at all, for which we have not the printing apparatus made, but I do not think that would arise on the particular scale referred to in Column 8 of the Appendix to the Memorandum of 28th June, or on the alternative version of it produced by the London County Council. Either of them would be bound to have some effect in bringing the use of two tickets to cover the fare into operation at a shorter journey distance. I will get the exact answer to that if you would like it, but once you had introduced single-stage charging of course on any subsequent adjustment for fares it might be impossible, in fact it would be impossible to prevent further intermediate fares (not just the four that are shown in the Appendix), from creeping into the system, and ultimately you might have a very much more important effect upon the usefulness of the ticket machines by having far more denominations involved within the first five or six miles. The effect of the single-stage charging proposal on the railway ticket machines is quite a serious matter, because obviously it would reduce the number of journeys for which tickets could be speedily obtained from the slot machines by the passengers because more denominations are called into use to cover all travel up to seven miles or beyond. That means that more passengers would have to take their tickets at the booking office windows, where again the rapid issue of tickets mechanically by the booking clerk pressing a button and operating the rapid printer in the booking office would be available for a shorter range of journeys; more of the tickets would have to be issued by hand and not by the rapid printer machine.

Whatever type of machine you had in use, the effect of increasing the number of denominations employed over a given mileage, say the first 10 miles, is bound to have the effect in some degree of reducing the usefulness of the passenger-operated machines and of the rapid printers in the booking offices and at the same time putting more passengers on to the booking office to book. The machines would not be offering the tickets for all of the journeys that they now cover, it would take two machines to do, say, the 24 and 3-mile travel which is now all on one machine; it would require two machines, would it not, to do 5d. and 6d. It is not a matter that is easily cured by providing more passenger slot machines, because in so many of our busy underground stations we have the maximum number it is possible to get in the space without major capital expenditure on reconstruction, enlarging booking halls where there

is not any room to move on account of adjacent buildings and so on.

That would all tend to result in some deterioration of efficiency both on road and rail, but while it is important and it has been repeatedly stressed before that we attach great importance to all the little things that add up to the smooth operation of both the road services and the railways, particularly the easing of the conductor's task, those are not in the present context of considerations at all of comparable weight with the view we take about the matters dealt with in paragraphs 7, 8 and 9 of the Memorandum.

3496. I think we had not actually touched upon paragraph 9 in detail, Mr. Valentine; that is the effect that the introduction of single-stage charging would have on the memorising of individual fares. I did refer to the matter in my few opening observations. Is this right, that on a 10-mile bus route under the present system of charging there would be 100 separate fares recorded?—Yes.

3497. Whereas under a system involving single-stage charging, even to the limited extent envisaged here, that number would go up very substantially?—Yes, even to the limited extent envisaged here means four additional denominations in the scale. That would increase the number of separate fares on a 10-mile bus route from 100 to 152, as shown on the fare table, between separate pairs of points. If it were not for the existing taper in the ordinary fares scale the number would go up to a maximum of 190. If there was no taper in the scale at all, the effect of introducing single-stage charging in a 10-mile bus route would be to increase the number of fares from 100 to 190.

3498. From 100 to 152 on the proposals you are considering today, but 190 if the thing was applicable throughout the scale?—Yes. The President suggested, I think, that it would be less on a shorter route. We took a 10-mile bus route partly because it was a round number and partly because it was the nearest thing for the average length of central bus routes which happens to be 10.45 miles. But if you take a 7-mile route, which I did select for a test because it is the shortest route which includes all the four additional denominations in the scale, that happen to be set out in the Appendix to the Memorandum, on a 7-mile route with the existing scale there are 49 separate fare scales shown on the fare table and with the scale shown in Column 8 in the Appendix to the Memorandum, there would be 77. If there were no tapering in the scale at some future time, or now, the number would rise to 91. That is for a 7-mile route. 49, 77 and 91 are the three figures.

3499. Is the task of memorising individual fares between the various points on a route something which does tax the conductor? It must do, obviously. If he does not get all his fares by some method of memorising—and I suppose individual men have their own different ways of doing it at their finger tips—he is going to be charging incorrectly more often or slowing down the whole process of fare collection, which is bound in the end in difficult circumstances to mean he loses some fares altogether if he takes too long over the job.

3500. (President): Of course some journeys are more frequently patronised than others, Mr. Valentine, are they not?—That is true, Sir, but one lost fare or one incorrectly collected fare loses as much revenue whether it is one of the frequently travelled journeys or one of the rarely travelled journeys.

3501. What we are discussing here is the burden on the conductor. No conductor coming into this room from Victoria Street would be able to recite the whole of the journeys for which he could be asked to supply tickets on his route.—I would think a thoroughly efficient conductor who had been working regularly on a particular route, as they normally do, would certainly on any pair of stage points named give you the correct fare. I certainly would not regard him as a fully efficient conductor if he could not.

3502. (Mr. Harold Willis): You would expect him to be able to do that, would you not?—Yes.

3503. (President): How many fares do you say he ought to be memorising for a 10-miles journey under the present scale?—100.

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[Continued]

3504. There are 100 alternative questions that could be asked him by potential customers travelling on a bus?—There are more than that because the customer may name points which are not fare stage points or which involve places which are not fare stage points, but he merely thinks of the nearest cover fare shown on the faretable.

3505. (President): You would expect the efficient conductor, the experienced conductor, to be able to recite 100 of those fares, would you, if we brought him into the room now?—Yes. I do not know whether I would expect him to recite them, but I think if you asked him any pair of points on the route it might appeal to him more that way because that is how he comes up against it, and given his cue, the names of points, he knows the answer. It is not necessarily quite the same thing as saying you can recite them from end to end, that is not the way it would be in his memory; but I would certainly expect an experienced conductor to be able to do that, unless he lost his nerve owing to the trying conditions, trying to him, of appearing before a Tribunal.

3506. (Mr. Harold Willis): If you were to make his task about half as big again from the point of view of memorising it, would you have any doubt, Mr. Valentine, that he or she would be more likely to find it less easy to master the thing completely?—I should have thought that was bound to be the case, yes.

3507. And it is true, is it not, that under present conditions, Mr. Valentine, you have a fairly substantial turnover in your conducting staff?—Yes.

3508. Labour conditions are not as static today as they were in the old days?—Not as static as before the war, no. That is one of the consequences of full employment felt by all employers in almost every industry. We certainly have a higher turnover than we used to have before the war; at any given time we have more conductors who cannot be said to be fully experienced. There is no obvious universal answer to the question "when does a conductor become fully experienced?", but broadly speaking—and of course it must vary with individuals—I do not think most of them are really reaching their permanent standard of efficiency until they have been with us about a year. It takes quite a long time to get the whole job absolutely slick, to get automatic reaction with no loss of time caused by stopping and thinking.

3509. You have covered, I think, all the points which are referred to in our Memorandum, Mr. Valentine, and you have, in addition, dealt with the matters of the machines, and the effect on those. You have given us your evidence as to the potential loss that might be likely if this system was introduced, loss on collection. Are there any other matters you desire to call to the Tribunal's attention on this aspect of the case?—On the aspect of practicability? I do not think so.

(President): What is the point about paragraph 3 in this Memorandum which reminds us that the Minister differs from our predecessors' as to the scale? Is the general major premise that whenever the Minister differs from this body, the Minister is always right?

3510. (Mr. Harold Willis): It was a matter of history in order that the reference to the earlier consideration of this matter should be before the Tribunal. The main point that arose on that occasion was that the Committee suggested a scale which involved this re-booking anomaly. That is so, is it not, Mr. Valentine?—Yes.

3511. (President): It involved a single-stage charge at certain distances.—And a re-booking anomaly, Sir. I do not know whether I may comment on that paragraph.

3512. Yes, do.—I was personally involved both in that Inquiry and in the subsequent discussions at the Ministry which took place after the Committee reported. I do know, though naturally this is not anything one can produce a document to prove, that the Minister and the Ministry were very anxious, as I think would be obvious, for political reasons to adopt the recommendations of the Consultative Committee if they could do so. We had long discussions with the Ministry officials who included then Sir Cyril Hurcombe as he then was, and they were all satisfied, and satisfied the Minister, that the scale with the anomaly in it was one which we could not work. And it was for that reason that, with considerable reluctance, the Minister departed from the Committee's recommendations.

3513. That only means that you did not satisfy the Committee, our predecessors, but did satisfy the Minister.—No, it does not mean that, with the greatest respect, because the Committee never put to me during the evidence any scale with an anomaly in it. They took us completely by surprise with the scale they put in their report.

3514. (Mr. Harold Willis): It was a decision reached without their having had, through you, their attention called to the difficulty?—They asked us many questions about single-stage charging, but in a rather different sense from this; in the sense that there was a proposal at that hearing of having a 2d. minimum fare for three stages, and that was considered, but at no time during the hearing was there any suggestion that a scale could or would be produced which contained what I call a re-booking anomaly. At least, I think, to the very best of my recollection, that is so; certainly no scale was put before us for comment which had such an anomaly in it. There may have been a passing reference to the re-booking difficulty; I would not like to say there was not without re-reading the whole of the proceedings.

3515. (President): A single stage charge was surely under discussion at that Inquiry, was it not, Mr. Valentine? Whether the consequence, namely, that there would be re-booking, was mentioned is another matter.—The two things are separate. It is quite possible to have single-stage charging without re-booking anomalies or re-booking anomalies without single-stage charging. It was the re-booking anomaly in essence that was the point on which the scale produced by the Consultative Committee broke down in the Ministry discussions. It was that feature which occupied our attention mainly in those discussions because that was the one we regarded as absolutely unworkable, and there was no way of dealing with it that we could devise at all. But it would not be true to say that I failed to convince the Committee about the effects of that particular scale, because it was never produced until after the hearing was over.

3516. (Mr. Harold Willis): I think there is only one matter with which I wish to deal now, and I can deal with it very shortly in view of what my learned friend has said. There is no doubt at all, Mr. Valentine, is there that if you had this scale on the road services you would have to apply it to the London Transport railways?—Undoubtedly you would have to do so. I was taking it for granted that if the Tribunal themselves are saying (as they have said in the preliminary decision) that assimilation between London Transport and London Lines is to be observed, *a fortiori* it is much more established and more essential that the relationship between London Transport's own railways and their own road services would have to be preserved. The traffic reason for that is overwhelmingly strong.

3517. Unless it is desired to ask you further about that, I do not want to pursue that point. I think, Mr. Valentine, those are the only questions I desire to ask you on this aspect of the 3d. fare proposal. I am leaving over entirely the financial implications, other than the financial implications with which you have already dealt. There are two quite distinct financial implications.

3518. (Mr. Poole): I would like to ask Mr. Valentine one question about the machines again. This rather impressive figure was given of £342,000 per annum which would be lost if one minimum fare per trip was not collected. The reverse would apply if a greater increase of one minimum fare per trip which is not now collected was collected, would it not? That is ordinary arithmetic.—Yes, certainly.

3519. These machines, as I understand it—this is from my memory now—save time; and the figure which was given at the first Inquiry was, I think, that the introduction of these machines would save 15 per cent. Is there some benefit accruing from the introduction of those machines in the way I am suggesting by an increased number of fares being collected which were not previously collected, because of the improved time in which the conductor can get round his bus?—Yes. I do not know that we could yet establish that from a point of view of direct effect of the introduction of the machines, because the big delivery of them is still to come. I forget what is the total number required of the new type of machine for Central Road Services, but something of the order

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[Continued]

of 17,000, and we have only between 3,000 and 4,000; but they are coming in now at the rate of 50 per week. We have not had a very long experience of these machines and I do not think we have done yet any specific tests on a sufficiently large scale to establish whether there is a difference in the efficiency on those routes where the machines are in use. We certainly expect it to improve our efficiency of fare collection, but it is not of course again a thing one can isolate entirely because we have been exerting our efforts in other directions to improve efficiency of fare collection, and we have increased the amount of inspection in the last two years quite substantially. In the main, the advantage of that is lost in the general traffic trend, if I may use that dangerous word.

3520. (President): As long as you do not use it too often.—Personally, I think in the last two years there has been reflected in our total traffic receipts some improvement in the standard of fare collection, but nothing very dramatic.

3521. (Mr. Poole): Will it ever be possible to be able to put that into some form of percentage or something of that kind?—Certainly not to attribute it separately to one factor like the machine. By a sufficiently large number of sampling tests based on actual observations it might be possible, I would not like to put it higher than that; it might be possible to indicate, if it were thought the proper thing to make public, the percentage variations in efficiencies between different years.

3522. (Mr. Sewell): Mr. Valentine, you told us the standard of fare collection in London, you think, is higher than in many provincial cities where they have fairly congested traffic in their main streets, or so I gathered.—I do not think I said that.

3523. I thought you said the standard of the fare collection was higher.

3524. (Mr. Willis): I think Mr. Valentine was referring to cases where the standard of fare collection had gone more or less to pieces in some cities and I think you had in mind.—Yes, but I do not think one should name the city concerned.

3525. (Mr. Sewell): I am not asking you to name them; I was going to ask you if in these cities they had half-mile fare stages.—I do not think there are many large cities in this country which do have half-mile fare stages, but there are some, and I think there is one where it is of comparatively recent origin as a result of a Licensing Authority's decision. But, you see, we do not get, and I do not think anybody gets, exact information about the standard of efficiency of fare collection and the proportion of revenues lost from other undertakings. There is enough difficulty in making a very broad estimate of it in one's own undertaking. Except what one is able to gather from private conversations with other general managers, which is not suitable to produce as evidence here, there is not available any body of information about the standards of efficiency, the percentage of fares lost or underpaid in other cities.

3526. (Mr. Sewell): Of course, absolute statistics are impossible, but in travelling about in buses in various cities one does of course keep one's eyes open, and one sees how the conductors run about and how they do their work. What I wanted to get at was the point whether the half-mile fare stages had any appreciable effect which you could measure or even give a trend as to the efficiency of fare collection.—I can only think of one city at the moment that has a general system of half-mile charging.

3527. (President): Which is that?—Manchester.

Further cross-examined by MR. GEOFFREY LAWRENCE.

3537. From all that you have told us this morning, I gather that the Commission is entirely opposed to any system of single stage fare structure?—In London, yes.

3538. We are not dealing with anything else, thank goodness, but London. That applies, I take it, to any variation of such a system?—Presumably, but that is rather a large thing for me to agree to without knowing what kind of variation you have in mind.

3539. I am only going to suggest one particular scheme to you, but I rather gather—and perhaps you will tell me if I am wrong—it is a matter of principle rather than a rejection of a particular fare structure; is that right?—It is both.

3528. Did we not have some special evidence about it last time?—There was some mention of it.

(Mr. Poole): We had some evidence from Mr. Lambert.

(President): We spent a day or a good part of a day with Mr. Lambert.

(Mr. Harold Willis): I do not think the standard of fare collection was one of the matters that arose.

3529. (Mr. Poole): Question 2557 on page 168; Mr. Lambert gives certain figures there. That was on the eighth day. I do not know whether those are correct; they have not been questioned.—I understand they are correct and, of course, while it involves single-stage charging at one point in the scale, or two points of it, 2d., 2½d., 3d., 4d., single-stage charging, as I understand it, in Manchester, then disappears because of the steeply tapered fare scale.

3530. (Mr. Harold Willis): But you can introduce it at that stage without producing the re-booking anomalies later on, further up the scale?—Yes.

3531. (Mr. Poole): If you get the same—you see, you have 5d., 5d., 5d., 6d., 6d., 6d.; is that not the single?—No, that is the reverse. It is a fare not changing at every stage but remaining the same at three stages.

3532. Would that not involve you in single-stage charging, the same charge for three stages?—It seems to me more nearly the reverse of it. I do not know, and I wish I did, whether the 2d. minimum fare is for one stage or two.

3533. Two, I think he told us.—Then I take it this means 2d. for two stages, 2½d. for three, 3d. for four, which is the section on which single-stage charging arises, and then 4d. for five and six, 5d. for eight and nine, 6d. for ten, eleven and twelve stages, 7d. for thirteen, fourteen and fifteen stages.

3534. And 8d. for sixteen, seventeen and eighteen?—Yes.

3535. (Mr. Harold Willis): It is three-stage charging then, not two.—So, so far from being single-stage charging it goes the other way compared with our system and gives three stages for each additional penny after you have passed the 3d. fare and the only piece of single-stage charging in it is the introduction of the 2½d. fare between the 2d. and 3d. fares for three stages.

(Mr. Sewell): Do we know how long these stages are?

(Mr. Harold Willis): He gave a figure.

(President): His evidence on this point varied later. If you look at page 171 you will see he seemed to suggest a half-mile stage rising by a ½d. every half mile.

(Mr. Harold Willis): That is what he was suggesting for London, I think.

(Mr. MacLaren): No, it was not.

(President): He says that is the idea of the fares table. That is at Question 2711 and 2712.

(Mr. Poole): In answer to a question I asked, 2567; the fare stages are 0.53 for the first 2d. and then two stages are 1.05.

(The Witness): That is not very different from the London fare stage length.

(Mr. Poole): No.

3536. (Mr. Harold Willis): That is the only case of which you know, Mr. Valentine?—Yes, but that is not the same as saying I know there are no other cases.

(Adjourned for a short time.)

3540. One would follow from the other if the first is right, would it not?—But you put it to me that it was only one—I say it is both.

3541. I am quite content with that. So it looks unlikely, does it not, that I should be able to persuade you that the London County Council suggestions are worthy of adoption in this case?—Unlikely.

3542. You might like to put it a little higher than that! Let me deal with the first point which you made first of all: The introduction of a 3d. fare for three stages would necessarily have certain consequences upon the later stages in the scale?—Yes.

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[Continued]

3543. I understand you to say, and I am looking at the early part of your Memorandum in paragraph 2, that it would be necessary to introduce a 5d. fare for five stages, a 10d. fare for eleven stages, and a 1s. 0d. fare for thirteen stages?—Those are the minimum consequential without disturbing the scale in some other way, compared with the original proposals in the Draft Scheme.

3544. In order to narrow the field of debate if I can, those are the further introductions of fares which would be necessary if a 7d. fare remains to cover both seven and eight stages of travel?—Yes.

3545. You have no doubt seen and studied the Appendix to the London County Council Memorandum, have you not?—Yes.

3546. And you have probably observed that the suggestion there is that the 7d. fare should cover seven stages only.—Yes.

3547. And not eight stages, for which it is suggested that a fare of 8d. should be charged.—Yes, I appreciate that.

3548. If that was done—and I will not discuss the reasons for it at the moment—it would obviate the necessity of the introduction of the 10d. fare for eleven stages, would it not?—Yes.

3549. But you would still have to have the 1s. 0d. fare for thirteen stages?—That is right, yes.

3550. If the London County Council's suggestion should be adopted then, above the minimum fare of 2d. for two stages you would have a smooth progression of 1d. per stage until you reached nine stages, or $4\frac{1}{2}$ miles; do you follow that?—Yes.

3551. Then at that point there would be the one and only jump over 1d. in the form of a 2d. gap, because we have omitted the 10d. fare?—Not the one and only one, because you get them still further up the scale; it becomes alternate 1d. and 2d. steps above seven miles—

3552. Yes, that is true.—It is as in the Draft Scheme.

3553. Yes. But in the lower ranges, on our scheme the only 2d. gap is between the 9d. and the 11d. fare.—If you define "lower ranges" as ending at 8 miles.

3554. I hope that we could agree that those were the lower ranges. Are they not what you had in mind when you wrote your first Memorandum and said it was impossible to suggest any reduction in the lower ranges?—I think we were thinking of an even shorter interpretation of lower ranges than that, mainly of the 2, 3 or 4 mile ranges.

3555. So much the better for my purpose. On that fare scale it means, does it not, that we have suggested, certainly in the inner London area there would be no 2d. jump at all.—I do not quite understand why there is anything peculiar in the inner London area as compared with the outer London area. The scale would be universally applied.

3556. I have not suggested there was for a moment; I was trying to get you to agree certain obvious deductions from the scale, one of which was that if it was adopted and applied in the inner London area, you would not have, either for conductors or passengers, a 2d. gap.—I just fail to understand the significance of the phrase "inner London area"; I thought the scale we were talking about was a scale for application to the whole of London Transport services, but what is true is that there would be no 2d. gap until you reached 5 miles anywhere in the area.

3557. Until you reached 5 miles; that would cost 11d. 7.—Yes, that would be the first 2d. gap, but it would not be peculiar to the inner area.

3558. May I take the inner area as having approximately a diameter of 5 to 6 miles?—If you wish, certainly.

3559. That is where there is the biggest incidence, is there not, of short-distance travel people getting on and off buses?—We have no evidence of that; it is very prevalent in the suburban areas. It may be slightly so, but I do not think so—there is only a marginal difference.

3560. That is what you say. I should have thought, and I would so suggest to you, that it was clearly obvious that the congested central parts of London, within a diameter of 5 to 6 miles, would be where you have the biggest turnover of passengers.—That is rather a different question—whether you have a big turnover of passengers.

3561. Perhaps I put it wrongly?—As regards the proportion of short-distance traffic to the total traffic on a route, I was looking at some figures quite recently, which I think we had extracted for the Committee of Inquiry, to show the distribution of traffic by fare values on different routes. We took some that went through the central area and some which did not, and we found that there was only a marginal difference between the proportion of 2d. minimum fare traffic to the total traffic whether the route went through the central area or not.

3562. What I had in mind was that in the outer fringes of your through routes you would have people travelling from outside into central London, and the other way round, that is, from central London out of London, who are far longer-distance people than those in the centre of London. On the other hand, you would have a lot of people travelling short distances in the central area itself.—That is not the pattern of our traffic predominantly at all. The longer distance rider is a very small element in our services, anyway; and throughout the suburban areas, predominantly traffic is short-distance. The long-distance traffic is very much smaller, especially on the routes that cross the central area.

3563. I take it that, as you have said, one of the matters which you have well in mind in dealing with the feasibility of any particular fare structure is whether or not it simplifies or complicates the task of the conductor?—Yes.

3564. I do not know, but to some extent do you also have in mind the extent to which the structure appears simple or complicated to the ordinary passenger?—Certainly, yes.

3565. Which leads me to ask you this: In the long run this matter of fare collection must depend, must it not, upon the honesty of the travelling public?—Only in part, in the sense that if the whole of the travelling public were ill-intentioned, there could still be losses of revenue through the inability or incompetence of conductors to do their task properly.

3566. Certainly, and it is equally true to say that any fare structure must leave the door open to some extent to the dishonesty of the ill-intentioned passenger?—Yes, to some extent, certainly.

3567. I understand you to say that with some fare structures the door is wider open than with others?—Yes.

3568. But under the present system of operation, you have no idea, have you, that you could put forward as any sort of firm figure of what in fact is the amount of under-collected fares?—Not what I would call a firm figure, no.

3569. So that when you talk of an additional loss, which I shall have to examine in a moment, as the probable result of a single stage fare structure, you are adding that figure to some present unknown quantity?—Some unspecified quantity, yes.

3570. The function of the conductor as I suppose—but I may be wrong—is to collect the appropriate fare from a willing and co-operative passenger?—I do not think his function is limited to that; he has still to collect the fare from the unwilling and unco-operative passenger.

3571. Would that be his primary function, or is he a policeman on the bus?—His primary function is to collect the appropriate fares from all the passengers, whether co-operative or not.

3572. And most of them, in order to make the thing work at all, have to be willing and co-operative, have they not?—Yes; if the majority were positively unco-operative, the conductor would be pretty well defeated in his task.

3573. And therefore I suppose, from the point of view of revenue, you must keep your eye, when you are devising a structure, upon the factors in it which either antagonise the public or produce their co-operation?—Yes, but I do not think I accept what are the probable implications of that answer to your mind.

3574. We have not got to the implications yet. But it is obvious, is it not, that the more people you have travelling on your services who are willing and ready to pay the appropriate fare, the easier is the task of collection, and the better the financial results?—Yes.

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[Continued]

3575. However good a policeman the conductor may be, he cannot catch out every malefactor and extract the money from him if there is a determined set against the fares by the public?—No, that is correct.

3576. You appreciate and I am sure everyone appreciates that the suggestion made by my clients is not to vary in any way the present fare stages or the present fare stage points?—Yes, I understand that.

3577. And by and large they are established at half mile gaps?—Roughly—yes—the average is a little more.

3578. And certainly up to a distance of nine stages, under our suggested scheme, the rate of travel would be 1d. per stage, with a minimum of 2d?—Yes.

3579. So far you could not very well have a fare structure which was more simple and less complicated from the point of view of both conductor and passenger, could you?—Simple to understand from the passengers' point of view, but not simple to operate from the conductor's point of view.

3580. We will examine that in a moment. Certainly it would be simple from the public's point of view, would it not?—To understand. It is a very reasonable straightforward and understandable scale from their point of view.

3581. Yes, and it would tend to minimise the under-collection of fares from the innocent over-riders, would it not?—No, I do not see why that is true; I do not think it is true.

3582. Innocent over-riding is the result of a genuine misunderstanding made in good faith by the passenger as to how far he can travel for the amount he has paid?—Yes, but as the President explained this morning from his own experience, that largely results from uncertainty as to where the fare-stage points are.

3583. There is not a great deal of difficulty about that, where you have your stage points at almost half mile intervals?—They are not as regular as all that, and I think it is quite true to say that the innocent member of the public who over-rides his fare does so simply because he does not know where the fare-stage points are.

3584. I am not suggesting you are going to get rid altogether of loss of revenue from innocent over-riding; my only suggestion is, that on a scale such as this, it is the best that could be devised to reduce that loss to the minimum.—I have been endeavouring to explain the importance of this this morning. I have been saying that even with an innocent member of the public, the prospects of over-riding because the conductor has not got round to him and collected the right fare in time would be increased by this method of single stage charging.

3585. As I began by indicating, I did not expect that you and I would reach agreement on our final conclusions, but I am very happy with the intermediate stage, and that is at any rate it is agreed that this fare as suggested by my clients is simple for the public to understand.—Yes, I could not disagree with you on that.

3586. In fact at the present moment, on the existing fare scale the fares do change at every fare stage, do they not?—Some of them—approximately half of them.

3587. Perhaps I was wrong in suggesting that rather more than half of them changed in that way.—No, half; it is the normal thing. The fares to all subsequent points on a route are altered as to half of them at the second stage on the route, and as to the other half on the third stage on the route, and so on, right through the route, whereas under the single stage method of charging, the subsequent fare-stage point alters at every fare stage.

3588. Yes, and that is the factor, is it not, that would be plainly in the mind of the conductor and plainly in the mind of the accustomed travelling public?—It might be.

3589. You are the traffic expert, Mr. Valentine; I am not—do you not think so? You have to estimate these things, do you not?—Not what is plainly in the minds of the public in regard to his knowledge of the fare scales—I do not think anybody could estimate that. It is obviously a general matter as to how far the public tend to understand the fare scale. All our conductors would be aware of is the scales of the routes on which they are working, and with the general system of course—I hope equally plainly whatever the scale.

3590. The point which you made under paragraph 7 of your Memorandum was that single stage fares would double the risk of under-charging those passengers whose fares are not collected before the bus passes the stage next after the point where they got on.—Yes, that is right.

3591. If that is right, on your proposed scale, certainly for the lower ranges where you have these 2d. gaps, that sort of under-charging will, in most cases, lead to a loss of 2d., will it not?—Yes—not in all cases, but certainly in most.

3592. On my scale of 1d. per stage, that cost would only be 1d., would it not?—Yes, again in most cases; in so far as the single stage charging rising by 1d. a stage was maintained.

3593. (President): That means, on this argument there would be under the suggested scale, twice as many instances, but each instance will be only half the amount under-collected, would it not, as compared with the present system?—By and large, that is right, Sir.

3594. So the result would be the same?—The result of an arithmetical calculation to show that twice times one is the same as one times two, would show it to be the same, but that would not be the only effect on the public.

3595. (Mr. Geoffrey Lawrence): I have to deal with these things one by one: If you double the risk, the cost would remain the same?—Approximately, yes.

3596. Of course, if I may follow up the President's remark, if the risk is not doubled, the loss is reduced.—I am not sure—compared with what?

3597. Whatever it may be now.—I cannot subscribe to the general statement that if the risk is not doubled the loss will be reduced; the risk might be doubled, or more one and a half times as much; I am afraid I do not follow that particular question.

3598. Would you be good enough to assume that is entirely my fault, and not yours. Might I direct your attention to paragraph 11 of your Memorandum in this connection? You say: "It is not possible to calculate the loss of revenue which would arise from the decline in efficiency in fare collection subsequent upon the introduction in London of a system of single-stage charging, but it is considered that the minimum loss from this cause alone would exceed £1 million per annum and might, with progressive deterioration, reach a considerably higher figure."—Yes.

3599. Under 1d. per stage charge, that £1m. which I take not as a precise figure but as an illustrative figure for argument, which is what I am sure it is intended to be, to see where it leads us—that would represent 650,000 passengers per day under-paying every day of the year.—Well, I have not checked that; I have not done that piece of arithmetic. As you know, I did it in terms of the number of passengers per trip which I thought would be easier to visualise and understand.

3600. I have worked it out in a slightly different way.

(President): What was your figure, Mr. Lawrence?

(Mr. Geoffrey Lawrence): 650,000, Sir.

(Mr. Harold Willis): Under-paying how much?

(Mr. Geoffrey Lawrence): Under-paying 1d. every day of the year.

(President): Including Sundays, I gather?

(Mr. Geoffrey Lawrence): Yes, Sir, including Sundays.

(The Witness): You mean 650,000 times 365 times 1d. is £1m.?

3601. (Mr. Geoffrey Lawrence): Yes, or thereabouts.—I would rather take it from you than check it.

3602. If I may say so, I rather sympathise with you. Your suggestion, I take it, is that on a scale such as that which we propose, the risk of such under-payment would be doubled?—No, I have not said that, except in the sense that the number of people involved in this risk would be doubled, if that is what you mean.

3603. Yes, the number of people involved would be doubled. It is not a question of the same people doubling to cheat, but of two different people doing the same thing.—Yes, it may be the same person on the second journey—you cannot tell that—but it would involve very definitely more people.

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3604. And let us take it—this is all very approximate and illustrative of your argument of doubling—that would give us a figure of 1,300,000 persons; in other words, twice 650,000?—Persons—or more correctly, passenger journeys.

3605. Passenger journeys; so be it. Your tables BTC 803 and 805 together gave the total passenger journeys for central road services and country buses, did they not?—Yes.

3606. And I am told—we can refer to them—that they totalled about 3,600,000,000, which is very roughly 10,000,000 passenger journeys a day.—On buses.

3607. On central road services and country buses.—Yes.

3608. So we are led to this position, are we not; so far, putting the figure of 10,000,000 side by side with your 1,300,000 under-paid passenger journeys, your argument has led you to suppose that something like one out of every eight passengers will, if my scheme is introduced, under-pay?—That would be the case I think if we put the additional loss at £2m. would it not?

3609. Forgive me; it is on the basis of £1m.—But you said 650,000 persons under-paying by 1d. every day.

3610. Every day of the 365 days of the year. That produces, I am told (if the arithmetic is right) £1m.—Yes, that is right. But what I said this morning was that the £1m. would be lost if this number of people per trip did not pay to the extent of 1d. I was working it out on the basis of a loss of 1d. per person over-riding.

3611. Yes, but I think I am too—I do not see from where you get your 1,300,000 passenger journeys except by doubling 650,000.

3612. Forgive me; I did that at your invitation, that the introduction of the 1d. stage charge would double the risk of this loss by under-collection.—No, surely not. I am sorry, Mr. Lawrence; I am not trying to be awkward.

3613. I am sure you are not.—I want to help you. I did not say "double the existing loss"; I have not given you the measure of the existing loss at all. I only directed my mind in my evidence this morning to the sort of figures which would guide me and illustrate to the Tribunal what was in my mind in thinking we were making an additional loss of £1m. because of over-riding, or in some cases additional loss of doubly uncollected fares.

3614. Would you look at paragraph 7 of your Memorandum; it is towards the end of that paragraph on page 3, where it is dealing with this topic. You will see the sentence beginning: "The conductor endeavours to memorise where each passenger boarded, but failing this he will in practice either assume that the passenger boarded at the most recent stage point and charge him accordingly, or rely upon the passenger stating his boarding point". Now will you look at the next sentence: "Where the conductor assumes that the passenger has boarded at the most recent stage point"—and I suppose I could put in brackets "but in fact has not"?—Yes.

3615.—"he will charge the correct fare under the present system of two-stage charging in 50 per cent. of such cases in any event; with single-stage charging, however, he would undercharge in 100 per cent. of those cases".—Yes.

3616. Does not that mean that on the single-stage charging system the chance of this undercharge on that argument is double that which it is under the present system?—That is the initial risk, yes; it applies to twice the amount of the traffic.

3617. That was why I doubled the 650,000 persons each day of the year under-paying by 1d.—But I do not understand your doing that, on your own showing, and you put the point to me—and I agreed—that if you had a single-stage system of charging, the normal expectation would be that if a passenger over-rides the availability of his ticket slightly, or is booked from a stage which is one beyond that which he boarded, he would normally underpay by 1d. If you are taking my £1m. as a basis for the purposes of discussion as a possible, or probable, loss—additional loss from the introduction of single-stage charging—then you would only be right in assuming that 650,000 passenger journeys per day would need to

be effected under a single-stage charging system to produce an additional loss of £1m. over whatever the loss is to-day. I hope I have put that clearly.

3618. I am quite sure that you have dealt with it as clearly as you can on the form of my questions, which are no doubt at fault. Now I want your view as to the proportion of passengers who do underpay; I think I have indicated—I hope rightly—that on your figures it looked like 1 in 7 or 1 in 8; do you think that it is as much as that?—I do not think I have a basis which would help you for stating the proportion of the amount of the loss we are suffering to-day.

3619. It is as elusive and indeterminate as that, is it?—It is difficult to quantify with sufficient precision to be acceptable and to be used as a figure in public, yes.

3620. Do you think it is 1 in 15?—If I start answering that type of question, it is only another way of giving you the range of the estimate within which we think the result might lie; but the plain fact is that it is difficult to make estimates which are accurate within reasonable limits, and I do not feel able to put one forward.

3621. If you will forgive me, you did deal with the matter rather generally by saying that you had reached a standard of efficiency now which you thing could be reasonably maintained—that is to say, in this matter of fare collection?—Yes.

3622. Recognising that it is not perfect and that it does not catch every fare that ought to be paid but is not, I am trying to get at what you think is the deficiency, or falling short, of the optimum under the present system at the moment in terms of the proportion of passengers that in fact underpay; can you put it in any other way for me?—Not by way of giving you a figure which I should be justified in giving, having regard to the wide margins of error which there may be in any estimates which we have made for domestic purposes to arrive at any result.

3623. It is a little difficult if the basis is so much lacking as that, to build on that and say that a single-stage charging system would be fraught with so much additional risk?—No, I do not think it is difficult, if you understand the actual conditions under which the conductor works, which I was attempting to explain to you; and I did not arrive at the figure of at least £1m.—and you notice the words "at least"—

3624. Yes; I always try, if I can, to remember the words which you use, Mr. Valentine—even the little ones; they are often so important.—We did not derive that figure from the basis of any assumed amount of loss which is occurring to-day. What we have said to ourselves is: "This will make it more difficult to catch all the people, and there will be far more people who will be under-charged; it may be that they will be under-charged by a less amount of money, but there will be far more people who will experience far more frequently being under-charged, and the dangerous part is the number of people who will find that it happens to them much more frequently than in the past, and who will, in consequence, be inclined, some of them, to exploit this easier opportunity of travelling beyond the proper limit of their fares.

3625. You see the importance of it from my point of view; you have committed yourself to a statement that the introduction of a system of single fare-stage charges would involve at least an additional loss of revenue of £1m. a year, and, of course, if that is true and if that is accepted by the Tribunal, I imagine—I do not know, but I imagine—that that is the end of the system of single-stage charging. That is the importance of it, is it not?—Yes, I appreciate that.

3626. So you are not surprised that I am searching for the foundation on which that statement is built?—The foundation is the feeling which we have from our knowledge of the way in which the conductor actually does his job, that there will be an immense increase in the number of cases; the public will find that they are not being properly charged—that they can get away with it for less than the advertised fare—and that is a situation which we think is bound to increase the habit of fare evasion.

3627. Is it part of your observation of these matters that even as it is the London travelling public in many

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cases do not ask the conductors for a specific destination, but ask for a specific fare ticket?—Yes; certainly many do.

3628. And they are not queried by the conductor as to which destination they wish to go to?—They may be, but they are often not, especially if the conductor is pressed.

3629. That is an indication, I suppose, even under the present system, of the conductors trusting the public?—Up to a point it is, but you know, it does not really alter the fact; the conductor knows the distance for which he has issued the ticket, and he has therefore just about as much check on the passenger over-riding if he remembers what ticket he has issued him with and at what point, as he would have if the passenger named his destination.

3630. Of course, I agree; it all depends, therefore, upon the memorising of that particular passenger and the fare which he has paid?—Yes; whichever method is used, it depends upon the conductor's memory, and it is not right to say that he is trusting the public. That question would arise in just the same way in the cases where the passenger declared his destination.

3631. Of course it would, but if he does not bother to memorise that particular passenger or his fare, it is entirely in the hands of that passenger whether he over-rides or not?—If the conductor either does not bother to memorise, or attempts to and fails to memorise, the passenger, and the passenger over-rides either deliberately or innocently, the conductor is unable to do anything further about it.

3632. Am I wrong in thinking that the whole of this business of underpayment really depends upon the memorising capacity of the conductor?—No, I do not think that is so. I think that is so probably under a given system of charging; but if you are comparing the difference between two systems of charging, it is not only a question of the memory of the conductor. If you were to introduce a different system of charging based on single stages, a new factor would arise, in which more passengers having constantly had the experience of over-riding the availability of their tickets would be likely to take the whole business of fare payment less seriously and take advantage of that opportunity to over-ride whenever it occurred to them—and some of them actually seek it out and exploit it. A lot of people regard themselves as innocent in these matters if they have not deliberately deceived the conductor, but have merely taken advantage of his failure to memorise their particular boarding point and the fare.

3633. That is rather a long answer to my question, but I do not think you are disputing what I am putting to you, namely, that the real—and, indeed, the only—check on underpayment is the memory of the conductor?—Yes, if that is so; but—

3634. That is all I put to you. Therefore, in order not to overburden the capacity of this man's memory, you want the system to be as simple and as uncomplicated as possible?—That is one of the purposes of it. The other is that he should be enabled to get round his vehicle as quickly as possible and that he should be able to collect his fares rapidly.

3635. (President): But memory surely is the one important feature, in so far as it secures that the man does not go beyond a certain point. When one is looking at the beginning of the journey, of course, the important feature is the speed in collection, is it not?—Yes, it is; but if a conductor is clever enough, he may still be able to remember where passengers boarded, whose fares he does not collect until they have travelled into the next stage.

3636. Yes; of course, in that case the speed of collection matters less, but the seeing that they do not go further than the ticket that they have bought entitles them to go depends upon his memory plus, of course, inspection?—Yes, Sir—plus inspection, as you say.

3637. (Mr. Geoffrey Lawrence): A combination no doubt of qualities in which memory bulks very largely as the most important ingredient; would that be right?—As regards over-riding at the end of the journey, yes.

3638. In the end, with a practised and experienced conductor, perhaps we are not using the right word when we speak of "memory"; it is more an automatic conditioned reflex as he goes upon his journey, is it not? It is not a conscious act of recollection is it?—I think it must be a

conscious act of recollection in relation to the over-riding of an individual passenger. The memorising of his fare-table now answers your description.

3639. You are quite right; that is what I had in mind. There is no reason why he could not equally well memorise, if that be the correct word, the fare-table in my suggested scheme as in the present existing draft scheme system?—That would only be true if it were just as easy to remember 100 things as 50 things; I did not think that was generally agreed.

3640. I was going to ask you about that. Ease or difficulty of memory is not to be measured, is it, by the mere quantity of things to be remembered, but by their nature and quality?—That sounds as if it came straight out of Plato, but I think it is correct?

3641. If I were quoting to you so distinguished an authority, I should give you ample warning beforehand, but it is merely my own halting view of this matter. Let me follow that up by asking you about the present fare scale as it stands. The steps in the table are uneven, are they not? Sometimes there is a rise of 14d., sometimes a rise of 2d., and sometimes a rise of 1d.—Yes.

3642. Supposing our rôles were reversed in this room, and I was seeking to get the Commission's assent to a fare structure which introduced those uneven steps, I should undoubtedly be told, should I not, that that complicates the conductor's task?—Well, as compared with the scale on the two-stage charging system, it may do, though very slightly. I would not think that you would be faced with much criticism of that if it affected the total number of fares in the scale itself to be remembered—that is quite a minor thing. It does not take long to get accustomed to a new fare stage which runs as it does to-day, and if it has become part of your second nature—as it does if you are a conductor—it does so in no time. The point is to project those fares, which are part of your second nature, on to the map of the route ahead of you, changing at every point as you go. You have to say: "Where does the 3d. fare end? Where does the 5d. fare end", and so on. Not being a conductor myself, I cannot say what variations there are as between individuals, but it does not make much difference to what he has to remember, whether the fares are based on the present system or on the proposed system in the draft scheme. What he has to remember is—or what he has to carry in his mind is, in relation to each new fare-stage along the route, the whole of the fares applicable from that point to stages ahead.

3643. On any fare structure he has to know his fare stages, has he not?—Yes.

3644. And perhaps we could agree upon this, could we, that the smoother the progression of fares—and by that I mean by the same intervals in cash relations to his fare stages—the easier it is for him to do his job?—No. I have been trying to explain that there is next to nothing in that. The actual denominations used in the scale become second nature to a conductor, even if the scale is a little erratic. I think the erratically progressive scale is much more serious from the point of view of the public's reaction than it is from the point of view of the conductor's reaction.

3645. And particularly an erratic scale that introduces halfpenny differences?—That does not affect the question of memory, but it increases the risk of change-giving; it is a disadvantage to the conductor for that reason.

3646. (President): What you are saying is, that if somebody gets on to a No. 73 bus at Hyde Park Corner and asks for—assuming he is asking for it honestly—whatever is the last stage before the terminus (and I do not know myself what the terminus is) and uses whatever be the right description, the conductor's mind does not move like this: "That will be so many stages", and then "and the price is so much". If he guesses at all, he will guess the figure. Having taken so many people on the No. 73 to King's Cross from a particular point, if he remembers anything automatically, he will remember the exact charge?—Yes, Sir, but he has to remember the cover charge. It may not be from Hyde Park Corner; it may be that the charge from Marble Arch is the correct charge for that journey to-day. But as he travels along the route he has to have a sort of visual picture of a fare-table in his mind for all the points beyond that

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point, ahead of him, and it is an almost automatic thing for him to see into which particular fare between two points the nominated point falls.

3647. Hyde Park Corner is a fare stage for No. 73, is it not?—Yes.

3648. Supposing the passenger says he wants to go wherever the third fare-stage down is; I do not know where the fare-stage is, but supposing he says: "Goddge Street", will not the conductor know automatically, if he is experienced on that route, that it is either 5d. or 7d.? He will not go through any elaborate calculations in his mind; it will ring a bell?—Yes, certainly, because he has in fact memorised all the fares shown on the fare-table on the route. On this point about memory, all I am saying is that it is more difficult to do that and it takes longer, if there are more fares to remember, just as a 20-mile route is a worse job than a 10-mile route, from that point of view.

3649. Yes; that is what I thought.—If we are having single-stage charges, we are making all the 10-mile routes as difficult as the 20-mile routes are to-day.

3650. (Mr. Geoffrey Lawrence): But against the inequalities of rise which a man has to master, either by conscious effort of the memory or by experience, supposing you are introducing a new conductor to a smoothly graded structure with a rise of 1d. per fare-stage in the shorter journeys, what could be simpler than that?—I do not think it would help him much. I really do not think there is much in the point of whether the fares in themselves progress in equal steps or not, as long as they are consistent over all the system, because a conductor may have to know more than one route. Of course, they do not work on a great variety of routes, but they do have to work on more than one.

3651. May we disregard the respective merits or demerits of your scale and my scale as far as memory is concerned.—It depends upon what you call your scale and my scale. If by "Your scale" you mean the B.T.C. scale, are you referring to the scale in the draft Scheme?

3652. Yes—the modified one.—Yes—or the scale which we contemplated if a 3d. single—

3653. No, forgive me; I will make it clear. I was not considering that; I was considering your modified scheme to meet the decision of the Tribunal, contrasted with my single-stage charging structure as set out in the Appendix to the L.C.C. Memorandum.—Yes. From the point of view of what there is to memorise, I think just because our scale is based on two-stage charging, it is a very much easier task than any scale based on single-stage charging.

3654. Yes; what you are saying is that it does not matter that the single-stage charge is even and the other is uneven?—It does not matter as regards that, and if you carry the comparison to the London County Council proposal with the 3d. fare for three stages and compare that with the scale we assume for the purposes of our Memorandum of the 28th June, shown in column 8 of the Appendix to that Memorandum, I would say that fundamentally there is not much difference between those two scales, because you alter the four-mile charge from 7d. as shown in our document, to 8d., making an additional fare in the scale at that point, and you eliminate the additional fare which we had in the scale at 5½ miles—that is the 10d. fare—by making it the same as for six miles. In that respect, therefore, the two scales are the same, but yours would be a somewhat more difficult additional burden on the conductors from the point of view of the number of fares to memorise, because inasmuch as you have introduced your additional fare at four miles and eliminated our additional fare at 5½ miles, the total number of fares to be memorised will be rather greater in your scale than it is in ours on the particular fare-table.

3655. I think I follow that.—It may be only a marginal point, because the two scales are much the same in inception, and are open, from our point of view, to the same substantial criticism.

3656. Yes, I follow what you mean; it comes to this, that you think both of them constitute an extra burden upon the conductors, which they could not bear without loss of efficiency in fares collection?—Yes.

3657. Now a word or two about speed of collection. With regard to the 2d. fare, if it is to be collected at all it has to be collected while the bus is travelling two stages, has it not?—Yes.

3658. A 3d. fare would have three stages within which it could be collected?—Yes, if the conductor remembers to charge the passenger from the point at which he boarded, and is able to do so, certainly; but collecting a 2d. fare a stage late makes no difference to what is collected, whereas collecting a 3d. fare a stage late is liable to do so, unless the conductor knows perfectly well where the passenger got on and the passenger does not dispute.

3659. And not only if the passenger is honest, but knows the fare for the stages to which he wants to travel. In fact, at the moment, with many fares changing at each stage point, the conductor is up against much the same problem in that respect as he would be on a single-stage system, is he not?—I am not quite sure to which difficulty you are referring.

3660. The difficulty in getting round in time to collect the fare before it has gone, or of postponing it in the case of a lengthier fare and then remembering how much he has to collect.—The obligation of the conductor to get round the bus between every successive pair of fare-stage points if he possibly can holds good under either system. But to the extent to which he cannot always do that or fails to do it, a larger number of people will be involved in underpayment on the single-stage system. That is the whole story.

3661. I accept that, Mr. Valentine. In the end it does come to this, does it not—I do not know whether you agree with it or not, but I do not want to debate these matters at inordinate length—the question is really one of policy as to whether or not such additional hazards of undercollection as there may be on the single-stage system are counterbalanced by the desirability of instituting an intermediate fare in the lower stages between the 2d. gaps. I am not asking you about revenue or finance at the moment, because we have not got on to that part of the case.

3662. (President): I think "policy" will trouble Mr. Valentine. If you said "management" perhaps he could answer.—Yes, I think that is so, but that implies that when you are trying to simplify the issue you regard it as a major point to institute separate fares for odd numbers of stages as well as for even numbers of stages, and I do not think I would agree that that is a matter of major importance, indeed I think inherently, having regard to its effect upon the capacity of the conductor to do the job properly, it should not be an objective.

3663. I suppose, just to put it in another way, you never know what a man can do until you ask him to try it, do you?—Well, you may have a pretty good knowledge, yes.

(Mr. Dawson): I appear with my learned friend, Mr. Rippon, for East and West Ham, and those other Authorities. I do not propose to cross-examine Mr. Valentine myself, but merely to adopt my learned friend Mr. Lawrence's cross-examination on this point.

(President): Splendid. Does anyone else who is entitled to do so, wish to ask Mr. Valentine anything?

Re-examined by Mr. [HAROLD] WILLIS.

3664. Mr. Valentine, on Paragraph 7 of your Memorandum the point was made that the loss on the present system of charging would be a loss of 2d., whereas it was suggested on the London County Council basis the loss would be 1d. You will remember that point being put to you. You did say that there were some other factors which should be taken into account, but you

did not in fact give them.—This relates to the amount lost in the event of a passenger overriding one stage?

3665. Yes.—Under the single-stage charging system where it applies the loss would be 1d.; under the double-stage charging as a rule, but not always, 2d. That is in relation to the scales that are under consideration at this moment.

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3666. You said mathematically that might be so, but there were certain other factors, and you did not give the other factors.—I think we came on to them later. What I probably had in mind, too, at that point, was the point Mr. Lawrence did allow me to make later, that the important thing was the number of passengers who would be frequently involved in the experience of not being charged the correct fare.

3667. (President): This is the infection of bad habits, or a bad habit forced upon one and spreading not merely to oneself on a large number of journeys but to other people. That is it, Mr. Valentine?—That is the point I was seeking to add then, but I think Mr. Lawrence kindly allowed me to make it at a later stage. That, I think, is of importance.

3668. (Mr. Harold Willis): That you consider as of considerable importance?—Yes. I think there is considerable risk as to where it might lead you in deterioration of the standards by which the public approach their duty to pay the correct fare on the vehicle.

3669. Then you were asked some questions in regard to the £1m. per annum. The only £1m. per annum we have as a figure, Mr. Valentine, is the figure of £1m. referred to in Paragraph 11 of our Memorandum.—Yes.

3670. That is the figure where you say "the minimum net loss from this cause alone"—that is the loss due to declining efficiency—"would exceed £1m. per annum and might, with progressive deterioration, reach a considerably higher figure."

3671. (President): Is that for all London Transport or only for Central and Country Buses?—As you appreciate, Sir, it is not at all an exact calculation. I think you can take it for all of the road services. I did illustrate—

3672. Including coaches?—This problem hardly arises on coaches.

3673. Then it is the Central Road Services and Country Buses?—Yes.

3674. (Mr. Harold Willis): So far as coaches are concerned, one can more or less eliminate the risk of underpayment, can one not?

3675. (President): There is a minimum charge there.—There is a minimum charge. There is really no valid reason why any fares should be missed on Green Line coaches.

(President): I only asked about coaches because Mr. Valentine said "all road services".

3676. (Mr. Harold Willis): Yes, I am much obliged, Sir. (To the Witness): The £1m. is 2 per cent. of the total revenue, is it not, on those services?—Yes.

3677-8. (President): The total revenue is just under £54m.?—Yes, you can take it as approximately 2 per cent.

3679. And that is about 70 million passenger journeys.—I did not check that.

3680. I think you were taking a figure of 3,600 million?—Yes.

3681. (Mr. Harold Willis): A figure was put to you which in effect doubled that, Mr. Valentine, because the £1m. was quantified as equivalent to 650,000 underpayments per day of 1d.?—Yes.

3682. And that is the significant figure for the point of view of this £1m. to which we are referring?—Yes.

3683. There is no justification for doubling, as my learned friend did, that number of passenger journeys?—No, I think we cleared that up between us. I hope he

(The witness withdrew)

(Mr. Harold Willis): That, Sir, is the only evidence I desire to call in regard to the practicability.

(President): I thought you indicated something concerning one of your instructor conductors.

(Mr. Harold Willis): I was not proposing to call any evidence other than Mr. Valentine on this. I do not know what course the Tribunal would desire to take, whether they desire my learned friend Mr. Lawrence to deal with the practicability before going further with my case.

(President): I would like to hear what Mr. Lawrence wants to do.

was satisfied about that; that 650,000 passenger journeys per day, each underpaying 1d. makes a total loss of £1m. and is therefore only another way of expressing what I said this morning, that you can arrive at a loss of £1m. if you assume that six persons per trip underpaid by 1d. It was looking at it in that way rather closer to the ground, as it were, that made me say this morning that I hoped that would be visualised more readily than dealing with 650,000 passenger journeys a day, and I expressed the view that there was a serious risk that the number of additional people who would underpay by 1d. would be considerably more than that number of six per trip on the average.

3684. The London Transport Executive, Mr. Valentine, and the British Transport Commission, having considered all these hazards, as my learned friend has referred to them, have come to the conclusion that as managers of this London undertaking they ought not to take that hazard?—Yes, definitely we have come to that conclusion.

3685. Is it for that reason that you have reached the conclusion that the suggestion made for a possible 3d. fare is one that they as managers consider ought not to be entertained?—That is right, yes.

3686. (President): Mr. Valentine, how many conductors are there on the road services, not including coaches?—Just a little over 20,000.

3687. So that if it were true that you were losing by under-collection £1m. a year—I know you have not said so—it would be profitable to double the number of conductors, would it not?—No, Sir, I am sure it would not.

3688. How many did you say?

(Mr. Poole): 20,000.

3689. (President): Then, no, it would not, but it would be profitable to increase them on certain routes.—No, Sir, it has been tried a number of times in the history of London Transport or its predecessors, but mainly for an additional conductor for part of the time in the peaks, but the additional fares that they get in on all the tests that have been made were quite insufficient to pay for their wages, and of course there is not the same need on many routes to utilise them outside the difficult hours. There may be loss of fares outside the difficult hours, but they are not due to the sort of things that are going to be helped by a second conductor very much.

3690. I did not know it had been tried in the past.—It has not recently, no. The London County Council did for their high-capacity trams at one time use two conductors for certain periods and sections. I do not know that the London General Omnibus Company ever did, but the London County Council experiment was, of course, quite well known to officers of the London County Council Tramways who came over to London Transport when it was established in 1933, so there had been experience of that in the memory of people who at least up to two or three years ago were in prominent positions in London Transport. None of them was in favour of trying that experiment again. If the losses that do exist today can be increased by more inspection that would be a much more likely line to take, and in fact one that we have taken in recent years, besides other measures.

3691. To be quite clear about it, your figure of 340,000 has really quite shocked me as a measure of an existing leak, anyhow.—Well, we did not give it as an existing figure, Sir.

3692. I said "as a measure of", not as being in existence. I do not think you have given any existing figure.—No, Sir, I have not.

(Mr. Geoffrey Lawrence): I am in your hands, I could call Mr. Lambert to deal with this *inter alia*, if you would rather, to keep this little section by itself.

(President): I think it would be a good thing to keep the practicability separate.

(Mr. Geoffrey Lawrence): Then, Sir, I can offer my evidence in a moment.

(President): Unless it is inconvenient to you?

(Mr. Geoffrey Lawrence): Not at all inconvenient, Sir.

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[Continued]

MR. HAROLD GEORGE ROBINSON LAMBERT, recalled.

Further examined by Mr. MacLAREN.

3693. Mr. Lambert, I should like to ask you questions about the evidence you propose to give on the difficulties of fare collection. I think first that you want to refer to the second Memorandum submitted by the British Transport Commission, and you want to refer in particular to Paragraph 6, to start with; is that right?—Yes, I can do.

3694. Paragraph 6 begins: "The introduction of a 3d. fare for three stages and the consequences thereof would mean that many fares on that route would change every half mile instead of every mile."—Yes.

3695. Is there anything you wish to say about that?—I do not think there is any change in the present practice. The fare tables as I have seen them rather show that a number of fares change, but others remain the same. I think that has already been stated by Mr. Valentine.

3696. (Mr. MacLaren): I think we had perhaps better look at Paragraph 7. You heard the part put to Mr. Valentine on Page 3, where it is said that "Where the conductor assumes that a passenger has boarded at the most recent stage point he would charge the correct fare under the present system of two-stage charging, or 50 per cent. of such cases in any event. With single-stage charging, however, he would undercharge in 100 per cent. of these cases." First of all, Mr. Lambert, I think it is conceded by Mr. Valentine that it is the conductor's duty where he can, to get round his bus between each stage?—Yes.

3697. Apart from those points which are departure points, or where the bus practically empties and refills in the ordinary course of his journey, what happens at a bus stop with regard to the number of people getting in or out, in the ordinary course of events?—It may vary from no passengers to a few, comparatively, with the initial loading of the bus.

3698. (President): You say it may vary from no passengers to a few?—Yes.

3699. Can it not vary from no passengers to many?—I do not think so, at an intermediate point, Sir. In other words, you are not going to change the whole bus load of passengers.

(President): No, I did not say the full load, but I wondered what you meant by a few.

3700. (Mr. MacLaren): Could you elaborate it a little?—You may find, say, for example, an incident I saw the other day, quite a number of passengers, perhaps 30 or 40, in quite a decent queue. They are not all going on one bus; buses going to different stations will pick them up.

3701. (President): Do you live in London, Mr. Lambert?—No, I do not.

3702. How long is it since you have lived in London?—A long time, 25 years.

3703. How many journeys have you taken on a London bus in the last 6 years, do you think?—I have taken more in the last six weeks than in the last six years.

3704. Then I think you have been fortunate either in your service or in your particular point of getting on.—When I am in London I do take an interest in what is going on.

3705. (Mr. MacLaren): We know, Mr. Lambert, that there are points where there is a heavy movement of people getting off the bus. You wish to call attention to the fact that there are many stages on the route where the change at particular fare stages is not remarkably heavy?—Yes.

3706. Whatever the system of charging, Mr. Lambert, whether it is two stages or three stages, if the conductor gets round his bus in the fare stage he will collect all the fares, will he not, whether they are charged for 2, 4 or 6 stages, or 2, 3, 4, 5 or 6 stages?—Yes, he should do.

3707. The difficulty will arise, of course, on those occasions when he does not get round the bus?—Yes.

3708. Mr. Valentine's point there is, as I understand it from reading the Memorandum, that in those cases instead of not collecting 50 per cent. of the fares of those who he assumes boarded later than they in fact

did, he will make an undercharge in 100 per cent. of those cases. What do you say about that doubling of the number of persons who are undercharged?—I do not see why there should be any difference at all, really, because the fare stages are not being altered at all and today there are now just as many fares from those half-mile stages as there are from the mile stage, except for the progressive nature of the journey where there is naturally a reduction, the fares in many cases are different. In some cases they are the same, so there is no difference in the natural position in regard to the collection of fares.

3709. What about the financial loss, compared with loss from undercollection under the scale in the Draft Scheme as modified by the Commission on the one hand and the London County Council proposed scale on the other? What do you say about the actual financial loss from undercharging?—In that case the loss through having an intermediate fare must be less than would otherwise be the case. In other words, there is less difference between 3½d. and 3d. than there is between 3½d. and 2d.

3710. In the proposed scale it will be a question of 4d. and 2d., and 3d. and 2d.—In the London Transport Executive proposed scale, yes.

3711. (Mr. Poole): Mr. Lambert, I cannot quite understand your answer about the 50 per cent. and the 100 per cent. It seems to me it is a statement of fact. If the conductor is one-stage point late in collecting, if you have two-stage charging he will be right in 50 per cent. of the cases and wrong in 50 per cent.; if you have one-stage charging he will inevitably be wrong in 100 per cent.—I think it is a little misleading and not quite clear that there is no difference in the charging of fares under one-stage or two-stage; there are fares from both points in the fare table.

(President): I agree where 50 per cent. loss is 2d. and 100 per cent. loss is 1d. the answer in terms of money will be the same. But I do not see how you can avoid the veracity of what is said; there will be 50 per cent. loss with two-stage charging and 100 per cent. loss with one-stage charging, be it one charge late. That seems to me to stand to reason. He gets off a whole stage, does he not?

(Mr. Poole): Yes.

3712. (President): He has a free journey which may be only short in fact, but which is chargeable for as if it were a whole stage, because the conductor assumes that he has only just got on.—No, I do not think that risk is increased by interposing or changing of fares at the intermediate stages. That is all, is it not—a change of fare?

3713. (Mr. MacLaren): Mr. Lambert, in Paragraph 11 of the Memorandum the Commission estimate that the additional loss, due to undercharging passengers or to their over-riding, as the result of the introduction of the system of single-stage rises in the fare scale, would amount to £1m. What do you say about that?—I think the introduction of the 3d. fare must be a protection to the Commission in regard to undercharging of fares or over-riding.

3714. In what way do you mean it will be a protection, Mr. Lambert?—I think a passenger is much more likely and willing to pay a 3d. fare for the distance he wants to travel than a 4d. one, and thus try and get away with 2d. Psychologically I think he would pay the 3d. fare.

3715. What you are saying, if I understand you, is if the gain from over-riding is 1d. instead of 2d., so far as it is deliberate, you will reduce the amount of it by reducing the difference between the charges for the two and three stages?—Yes.

3716. But I really wish to put to you the quantum of loss first, if I may, the £1m. What do you say about the quantity of the loss of £1m? Do you think the additional loss from the cause, that is to say, undercharging, over that which is now suffered by the London Transport Executive, the additional loss due to the introduction of single-stage fare increases, can be of that magnitude?—It is very difficult indeed to say. I am getting used to thinking in millions now a little, since I have been at this Inquiry, but it is a very large sum and I think it is very doubtful whether that sum is the real loss that is incurred.

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MR. HAROLD GEORGE ROBINSON LAMBERT

[Continued]

3717. How have you tested that figure of £1m., Mr. Lambert?—I have not tested the matter at all.

3718. Would you deal with the question of paragraph 9 of the British Transport Commission's Memorandum, which deals with the question of the difficulties created for a conductor by the increase in the number of fares with which he has to deal.—Really I do not think the conductor has any greater number of individual fares to deal with. He would have to deal with fares of a different denomination, but in so far as total is concerned, as I say, there would be no greater number at all.

3719. Could you explain that, Mr. Lambert? Do you mean that the conductor has to remember his fare from every stage whether or not it changes?—Yes, he has to do that today.

3720. The President put to Mr. Valentine that what happens when a conductor is asked for a destination he automatically thinks of the fare and gives the fare in answer to the question.—Yes.

3721. Something he learns from experience.—Yes.

3722. Does he need to know the fare from every stage down the road and not merely where the points change?—He knows the fare from every stage down the road, but he automatically realises or visualises in his mind the fares as he comes to the stage which he is approaching. In other words, he has only to remember for the time being the fares as he progresses along the route, stage by stage, which is of course a diminishing number as the journey proceeds.

3723. Do I understand you correctly that what you are saying is that the conductor's memory works stage by stage as he moves down the road?—Yes.

3724. He remembers the fares from each stage as he approaches it to all points further on the route?—Yes, and he is not called upon to remember 100, 150 or 200 individual fares.

3725. If the actual number of denominations of fare from each fare stage is increased, does that increase the fares that the conductor has to remember or not?—If you were to increase the number, it would necessarily in-

crease the number of fares he has to remember; that is your question?

3726. Yes.—Yes.

3727. What do you say about —. It does not mean, of course, that it is a more difficult matter to remember them.

3728. In your experience do uneven jumps in the fare scale create any difficulty for the conductor so far as memory is concerned, memorising his points?—By comparison an easy scale of rises is much more easy to remember on the part of the conductor than one with jumps in, specially if they are irregular jumps like 1½d. or 2d.

3729. You heard Mr. Valentine say that he regarded it as unimportant from the point of view of the conductor remember his table. Why do you say it is important whether there are even rises or uneven jumps?—From the point of view of the conductor?

3730. Yes.—There is a great deal more rhythm in remembering a fare system that rises by pennies than there is in one which rises by odd figures.

3731. And for that reason it is easier to remember?—Yes.

3732. What about the problem of fare collection, the speed of fare collection, where the conductor has more denominations to handle? What do you say about that?—What do you mean, Mr. MacLaren, by "in regard to more denominations"?

3733. Let me make it quite plain. What difference does it make to the speed of fare collection by the conductor whether in going round the bus his fares rise every mile by twopenny jumps or whether they rise every stage by penny steps?—I think the even rise in steps facilitates the work of the conductor.

3734. Would you explain how that assists him in the collection of fares? How does it speed the collection?—I think the man or woman's mind can be more easily tuned to a penny rise or an easy rise in fares than when having to think at all about the difference of rises.

3735. Does it make any difference to the time the conductor takes to go round the bus that he has to collect 3d. fares, 5d. fares and 8d. fares as well as 2d., 4d. and 6d. fares?—No.

Further cross-examined by MR. HAROLD WILLIS.

3736. Mr. Lambert, I would just like to ask you this. Do you understand the system of staging that is operating in London today?—From what I gather from the evidence and the fare tables I have seen I think I do understand it.

3737. Will you look at the fare table of route 11. I want just to see that you appreciate the position that operates in London. This is a fare table for route 11, Shepherds Bush to Liverpool Street. Taking a section of the route with which we are familiar, will you look at the fare stage at point 15, Charing Cross and Trafalgar Square. Do you see that?—Yes.

3738. If you want to go from Charing Cross to Liverpool Street it costs you 3½d.—Yes.

3739. Equally, it costs you 3½d. if you go from The Strand to Liverpool Street.—Yes.

3740. Therefore, from the point of view of the conductor, it does not matter in that case whether he knows that the passenger has got on at Charing Cross or whether he assumes the passenger has got on at The Strand, Aldwych.—True.

3741. Do you see that?—Yes.

3742. If there was single-stage charging it would necessarily have affected the fare if he did not know the precise point at which the passenger got on.—The fare table provides for single-fare charging.

3743. The table provides, Mr. Lambert, for double-stage charging, and I hope we shall be able to explain to you how our system operates. From Charing Cross to Liverpool Street is four fare stages.—Yes.

3744. You paid 2d. for the first two.—Yes.

3745. And 3½d. for all four.—Yes.

3746. It does not make any difference whether you go one fare stage or two fare stages, you pay 2d. It does

not matter whether you go three stages or four stages, you pay 3½d.—Yes.

3747. That is double-stage charging. Where do you say is the single-stage element?—That is two stages for whatever the fare may be, but it is not double-stage charging. The double-stage charging, as I read it, means stages not only from the mile point but from the intermediate half-mile points.

3748. With respect, I do not think you understand the position. The whole essence of this is that you pay the same amount for the odd number of stages as for the even number of stages.—Yes, I know.

3749. In your system, the system you are advocating, you will always pay a different fare for the odd and the even numbers.—Yes.

3750. That is the whole difference between the two.—Yes.

3751. The whole point of the paragraph in our Memorandum which says that in 50 per cent. of the cases the charge would be right notwithstanding a wrong assumption as to where you got on, is clear from this is it not? Do you understand it now, Mr. Lambert?—I do not quite agree with your theory. Perhaps you would repeat it.

3752. Do you not understand that if a passenger is travelling from Charing Cross to Liverpool Street it makes no difference to his fare whether he gets on at Charing Cross or at the Strand?—Yes, that is quite clear.

3753. Therefore it does not matter from the point of view of collecting the right fare whether it is assumed he got on at the Strand or it is known that he got on at Charing Cross.—I agree.

3754. Do you not understand that happens in every other case, every alternate fare is subject to precisely that state of affairs?—Yes.

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[Continued]

3755. And that is why we have said that in 50 per cent. of the cases that result will happen?—Yes.

3756. You have seen fare tables like this, I suppose?—Yes.

3757. Is the effect of your evidence today, Mr. Lambert, that you disagree with the views of the London Transport Executive and the British Transport Commission that they, as managers of this undertaking do not regard as practicable the 3d. fare suggestion? You disagree with that?—I entirely disagree with that.

3758. Although apparently you did not appreciate the way in which the fare table operated?—I appreciate the two stages.

3759. You did appreciate that?—Yes.

3760. Do you think the people who are managing an undertaking are, in general, Mr. Lambert, best able to form a view on a matter like this, the people closest to the undertaking?—They are in a somewhat privileged position, but I am in the position here today as a witness to endeavour to point out the equity of an intermediate fare and the necessity for it both from your point of view as well as the psychological effect on the public.

3761. If your evidence is based on the ground of equity and the interests of the Executive as well—is that what you said?—Yes, I said that.

3762. The necessity from our point of view?—It may be necessary; I do not know.

3763. To what extent has your evidence had regard to the actual realities so far as collection of fares is concerned?—Do you mean whether it is difficult or not to collect the fares?

3764. Yes; let me put it in this way, Mr. Lambert. Would you agree that one of the most important matters for a transport undertaker to consider is the efficiency of his system of fare collection?—I agree.

3765. Because of the very serious financial consequences that any avoidable inefficiency can produce?—Yes.

3766. Would you agree with me that the people who are running an undertaking are in general most familiar with their difficulties in their own systems of fare collections?—They ought to be.

3767. They are in a better position, are they not, Mr. Lambert, to know of the difficulties than you would be?—Yes.

3768. You having only had a fairly recent experience of travelling in London?—Well, no; it does not matter whether it is in London or Manchester the position is the same in regard to the difficulties of collection of fares or running buses.

3769. We do not want to go back over the other evidence. Are you telling the Tribunal that this London problem can be properly judged in the light of what happens anywhere else?—It is a much greater problem in magnitude. The problems are much the same in other towns, but—

3770. (President): I do not quite understand that. It is a greater problem in magnitude; that does not seem to take it very far. Do you mean more people are affected and more?—There are more miles involved in London than there are, say, in Manchester or Birmingham.

3771. Is that all, apart from the fact that there are fewer passengers?—I think the difficulties are the same.

3772. (Mr. Harold Willis): One of the difficulties might be the very large number of people who get on in London at intermediate points. As I understand it you have given evidence on the assumption that intermediate points produce only a small number of additional passengers. You see, you did not appreciate, I think, that there are many points in London where the intermediate points on a run are very heavily used.—Some of them on a run.

3773. You see, a provincial undertaking, Mr. Lambert, is very often faced with a big bus depot in the centre of the town; the people go there for the purpose of being taken home, and the bulk of the people get into the bus there; they pay their fares and ride in the bus until they reach their destination.—That is often the case.

3774. And that is not the case in London to a large extent.—No, but it is a practice which is developing in the provinces of through-running right across a city.

3775. That is why I was particularly interested in your evidence about the character of these intermediate points, because it did appear to me, Mr. Lambert, to suggest a different approach to the problem from the one that is the real approach in London. You see that?—Yes, I see your point.

3776. Would you agree that if a standard of fare collection once gets somewhat out of hand it would be an extremely difficult thing to get it back again to a state of efficiency?—Yes, in principle.

3777. In principle?—Yes.

3778. Therefore one would hesitate, would one not, as a manager, if one felt there was a likelihood of a particular system producing that sort of result?—If there was a likelihood on that system, then I should think the managers would think it was one of some concern.

3779. And something that ought not lightly to be entertained?—I agree. It would be foolish for anyone to make a mistake knowingly.

3780. It would be foolish to make a mistake knowingly, foolish to take a risk knowingly, would it not?—It all depends what the risk is.

3781. Are you telling the Tribunal today, Mr. Lambert, that the introduction of this single fare staging does not impose any risk on the system of fare collection in London?—I would not think so.

3782. No risk at all?—I do not think so. I think the conductors in London are as capable as any in the country and would take this well in their stride; in fact I am sure they would.

3783. Have you considered this question, Mr. Lambert; if there is a deterioration in fare collection, and as a result more people are enabled to pay less than the correct fare, that may become contagious?—It may.

3784. If it did become contagious, might that have very serious repercussions indeed?—It possibly would.

3785. Is it, quite apart from the purely money aspect of the matter, very important to ensure that no additional number of persons is enabled to avoid paying the right amount?—It is important, yes.

3786. Quite apart from the money side, but the number of people who feel they could get away with something should not be increased.—One must not encourage dishonesty.

3787. Is it not your experience as a manager of passenger transport undertakings that there is inevitably a certain number of passengers who avoid paying their fares?—Yes.

3788. When Mr. Valentine said it was the common experience of undertakers, particularly urban undertakers, to have a loss, that accords with your evidence?—Yes, it happens everywhere.

3789. It happens everywhere; it is something you try to avoid, but it is not very easy to quantify it, is it?—No, and it is often far too expensive to kill, and therefore the risk of some under-collection is worth the while.

3790. But not the risk of increasing that under-collection to any substantial amount?—No, I would agree with you there.

3791. I just want to ask you a question on the point about memorising fares, Mr. Lambert. You, as I understand it, have taken the view that this introduction of this very much larger number of individual fares through the scale would not burden the conductor any more?—I do not agree any increase in the number of fares.

3792. A number of different fares?—A few different fares, yes.

3793. Let me just see I am following your evidence. Have you the London County Council's Memorandum in front of you?—Yes, number 3.

3794. Look at their appendix, Mr. Lambert, if you please. Let us just spend a minute on this. Let us assume the bus is within four miles of its terminus, coming home, within four miles of its terminus.—Yes.

3795. It has four more miles until it gets back to the end of the route.—Yes.

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[Continued]

3796. That means there are eight fare stages involved, four miles and eight fare stages.

3797. (President): The answer to that, Mr. Lambert, is "Yes".—I do not know which way he is going.

3798. (Mr. Harold Willis): I think Mr. Lambert finds these fare stages difficult. Look at column 2; four miles comprehends eight fare stages.—Yes.

3799. We are just passing from the fifth into the fourth mile.—Yes.

3800. Going back home.—Yes.

3801. There are eight fare stages still to be completed.—Yes.

3802. Under our proposals there are only four different fares applicable in that section of the route; there is a 7d. fare if you are going all the way home; there is a 6d. fare if you are going three-quarters of the way home; there is a 4d. fare if you are going half way; and there is a 2d. fare if you are going one-quarter of the way.—Yes.

3803. Do you follow?—Yes.

3804. Of course those fares do not change at each fare stage, but they change only at every other fare stage. Do you see that?—Yes.

3805. Therefore, the conductor has to memorise if someone asks him that the fare from point 7 or point 8 to the terminus is 7d., whereas on your system the fare from the start of this journey is 8d., then it changes to 7d. and there are altogether seven different fares which can be appropriate.—Yes.

3806. On ours there are only four which are appropriate.—Yes. I do not quite agree with your view as to four; there are two at 6d., two at 7d. and two at 4d.

3807. I knew you were going to say that, Mr. Lambert, because it is pretty obvious, is it not? Are you saying it is no more difficult for a conductor to remember the seven different ones than it is for him to remember the four, taking into account that four are applicable at two points each?—I think I had better answer that, Mr. Willis, by saying it is no more difficult for him to learn 2d., 4d., 5d., 6d., 7d. and 8d. than it is for him to learn 2d., 4d., 6d. and 7d.

(President): The strictly financial aspect will take some little time, will it not, Mr. Willis?

(Mr. Harold Willis): Yes, it is bound to do so.

(President): It is obvious that some people are here because they are interested in season tickets and nothing else. If one could give them an indication that they could use their existing season tickets tomorrow by stopping away, it would help them would it not?

(Mr. Harold Willis): I think that would be so. Would it be the intention of the Tribunal to deal with both aspects of the 3d. fare first? It would not be the intention of the Tribunal to consider the practicability as a separate issue and giving an indication on that before passing to the financial aspect?

(President): No; I think we must deal with the purely financial side.

(Mr. Harold Willis): I assumed you would do that.

(President): You have a witness, Mr. Lawrence, have you?

(Mr. Geoffrey Lawrence): On the financial aspect, yes, I have.

(President): Then we shall certainly not enter upon discussions upon the season ticket difficulty (assuming we have to do so at all) tomorrow.

(Adjourned until tomorrow morning at 10.30 o'clock.)

CORRIGENDA

PROCEEDINGS, FOURTH DAY—THURSDAY, 27TH MAY, 1954

Page 90, Question 1447, line 10—for "to the same" read "to some"

PROCEEDINGS, FIFTH DAY—FRIDAY, 28TH MAY, 1954

Page 114, Question 1665, line 5—for "Committee" read "Commission"

Page 114, Question 1667, line 1—for "realised" read "realise"

Page 115, Question 1680, line 3—for "terminal" read "terminals,"

Page 115, Question 1684, line 5—for "produce" read "reduce"

Page 115, Question 1684, last line—after "effect" add "of increasing the charge to London"

Page 115, Question 1696, line 6—Answer to read "Indeed, yes."

Page 116, Question 1696, Column 1, line 7—for "Tribune" read "Tribunal"

Page 116, Question 1702, line 4—for "the" read "that"

Page 116, Question 1715, line 9—for "send" read "set"

Page 117, Question 1716, line 1—for "the documents in" read "in the documents of"

Page 117, Question 1717, line 1—after "that" insert "until"

Page 117, Question 1725, line 1—for "cannot" read "may not"

Page 117, Question 1730, line 4—for "Z" year read "notional years"

Page 117, Question 1733, line 2—for "Second" read "First"

Page 117, Question 1735, line 3—for "1.4 million" read "£1.4m."

Page 117, Question 1737, lines 3 and 4—Answer should read "The inner and outer suburban lines"

Page 118, Question 1754, Column 2, line 7—for "application" read "possibility"

Page 118, Question 1754, Column 2, line 8—for "any" read "no"

Page 118, Question 1754, Column 2, six lines from bottom—after "do" insert "not"

Page 119, Question 1758, line 1—after "getting" insert "the"

Page 119, Question 1760, line 1—for "33s" read "5s"

Page 119, Question 1760, line 2—for "plus 25" read "up to 80"

Page 119, Question 1761, line 5—for "1,600 million mileage" read "1.6 million miles"

Page 119, Question 1777, lines 4–6—lines should read "taken at 9s. 3d. and 9s. 1d. for the Eastern Region through services"

Page 119, Question 1784, lines 2 and 5—after "Campbell" insert "Road"

Page 120, Question 1791, line 8—for "1954" read "1952"

Page 120, Question 1796, line 5—for "Southend" read "London"

Page 121, Question 1828, lines 4 and 5—for "train or" read "station"

Page 121, Question 1835, line 9—for "final" read "primary"

Page 122, Question 1845, line 10—for "slightly more than" read "something for"

Page 122, Question 1846, line 4—for "20 or 30" read "33s"

Page 123, Question 1864, line 10—for "Rugby" read "Watford"

Page 124, Question 1889, line 7—after "appropriate" insert "to give it"

Page 124, Question 1889, line 16—for "VI-11" read "VI-2"

Page 124, Question 1889, line 39—for "VI-V" read "VI-5"

Page 124, Question 1889, line 40—for "VI-VI" read "VI-6"

Page 124, Question 1889, line 52—for "VI-11" read "VI-2"

Page 124, Question 1889, Column 2, line 4—for "VI-V and VI-VI" read "VI-5 and VI-6"

Page 124, Question 1889, Column 2, line 6—for "VI-11" read "VI-2"

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[Continued]

PROCEEDINGS, SIXTH DAY—MONDAY, 31ST MAY, 1954

- Page 128, Question 1922, line 1—for "2.55d." read "2.55 units"
 Page 128, Question 1922, line 1—for "2.80d." read "2.80 units"
 Page 128, Question 1946, line 3—for "non-London" read "non-terminus"
 Page 129, Question 1951, line 1—for "the station" read "these stations"
 Page 129, Question 1959, line 2—for "1950" read "1953"
 Page 129, Question 1967, line 8—for "of" read "underlying"
 Page 129, Question 1974, line 5—after "in" insert "the Commission's Annual Report for"
 Page 130, Question 1977, line 1—for "31" read "75"
 Page 131, Column 1, line 12—for "Carslake" read "Karslake"
 Page 141, B.T.C. 707 Item 4 (d)—for "arbitrary" read "arbitrary"

PROCEEDINGS, SEVENTH DAY—TUESDAY, 1ST JUNE, 1954

- Page 146, Question 2160, line 12—delete bracket after "discussing" and insert after "moment"
 Page 147, Question 2183, line 6—for "contribute" read "conform"
 Page 147, Question 2184, line 2—for "£5.5m." read "£7.5m."
 Page 147, Question 2187, line 4—for "£5.5m." read "£7.5m."
 Page 148, Question 2191, line 9—for "not paying" read "now to pay"
 Page 148, Question 2212, line 1—for "high" read "higher"
 Page 149, Question 2221, lines 7 and 8—for "a great deal" read "some development"
 Page 150, Question 2235, line 7—for "hive them out" read "hived them off"
 Page 150, Question 2237, line 9—for "if" read "then"
 Page 150, Question 2244, line 3—for "51" read "10"
 Page 151, Question 2258, line 5—for "counsellor" read "councillor"
 Page 151, Question 2259, line 1—for "counsellor" read "councillor"
 Page 151, Question 2266, line 7—for "only" read "also"
 Page 151, Question 2267, line 3—Answer should read "I said that on many occasions they did so"
 Page 151, Question 2268, line 5—for "on" read "of"
 Page 151, Question 2269, line 3—for "Line" read "Lines"
 Page 151, Question 2272, line 5—delete "Transport"
 Page 151, Question 2272, line 5—first "of" should read "in"
 Page 152, Question 2275, six lines from bottom—for "1.33d." read "1.35d."
 Page 152, Question 2281, line 1—for "said" read "say"
 Page 152, Question 2284, line 13—for "it, and it" read "it. It"
 Page 152, Question 2284, lines 15 and 16—for "wasted" read "wastes"
 Page 152, Question 2285, line 5—for "road" read "load"
 Page 152, Question 2287, line 5—for "first; the" read "first. The"
 Page 152, Question 2287, line 6—for "ride. But" read "ride, but"
 Page 152, Question 2287, line 8—for "price" read "cost"
 Page 153, Question 2293, line 3—for "customers averaging gross" read "customers and averaging or cross"
 Page 153, Question 2293, line 5—for "as" read "is"
 Page 153, Question 2306, line 4—for "have" read "are"

PRELIMINARY DECISION

1. We have decided that the Scheme as submitted by the Commission should be modified to the extent necessary

(a) to limit the additional revenue sought by the London Transport Executive to a sum of the order of £3.6m. per annum:

(b) to preserve the existing degree of assimilation between the charges made by the London Transport Executive and those made in respect of the services provided on British Railways' London Lines.

2. We should be obliged if the Commission and the objectors would furnish us as soon as possible with such suggestions as they may wish to put forward as to the alterations required to bring the Scheme into conformity with the decisions stated in paragraph 1 hereof.

3. We propose to consider the possibility of introducing into the fare scale in the Sixth Schedule to the Scheme of a fare of 3d. for three fare stages. We hope, therefore,

that the suggestions furnished to us will assist us in deciding whether this particular alteration and whatever consequential alterations it would involve are desirable.

4. The Commission must send to each of the objectors a copy of any document furnished to us in pursuance of the request made in paragraph 2 hereof. Any objector who furnishes us with any documents in pursuance of the said request must send a copy thereof to the Commission. It would be convenient if an objector who does not propose to furnish any documentary suggestions would notify the Tribunal.

5. The public inquiry will be resumed for the purpose of examining all such suggestions as may be put forward by the Commission and/or the objectors. The date upon which and the place at which it will be resumed will be announced later.

HUBERT HULL.
 A. E. SEWELL.
 J. C. POOLE.

10th June, 1954.

5 July, 1954]

[Continued]

SUGGESTIONS SUBMITTED IN RESPONSE TO THE PRELIMINARY DECISION OF THE TRIBUNAL DATED THE 10TH JUNE, 1954

MEMORANDUM CONTAINING THE BRITISH TRANSPORT COMMISSION'S SUGGESTIONS FOR THE MODIFICATION OF THE SCHEME AND LOGGED WITH THE TRANSPORT TRIBUNAL PURSUANT TO PARAGRAPH 2 OF THE COURT'S PRELIMINARY DECISION OF THE 10TH JUNE, 1954.

1. Pursuant to the Preliminary Decision given by the Transport Tribunal on the 10th day of June, 1954, the British Transport Commission hereby furnish to the Tribunal their suggestions for alterations in the Scheme required to bring it into conformity with the above-mentioned Decision.

2. In approaching the problem of modifying the Scheme so as to reduce the yield to London Transport to a sum of the order of £3.6m, the Commission have borne in mind firstly that there must be preserved the existing degree of assimilation between the charges made by the London Transport Executive and those made in respect of the services provided on British Railways' London Lines, and secondly that, owing to differences in traffic characteristics, alterations in different parts of the scales of maximum rates and fares will bear in greatly differing degrees upon the yield afforded on the one hand to London Transport and on the other hand to London Lines. In the view of the Commission the financial position of London Lines, when taken in isolation, is not satisfactory (even under the Scheme as submitted), and any changes which substantially reduce the yield to London Lines would, in the Commission's view, imperil the whole principle of assimilation. They have therefore sought for modifications which, while effecting the required result to London Transport, will not have an unreasonable effect upon the finances of London Lines and they apprehend that such an approach is in accordance with the terms of the Decision.

3. Unfortunately it has proved impossible to devise a method of reducing the yield to London Transport to the required extent without producing a substantial repercussion upon the yield to London Lines.

4. The reduction of approximately £700,000 in the revenue to be obtained from London Transport is of sufficient magnitude to make it necessary to modify the proposals in respect of the ordinary fares of London Transport. There are two possible approaches to the problem of making the necessary modifications, namely to modify the ordinary fares either in the lower or in the higher part of the scale.

5. As far as the lower part of the scale is concerned, the Commission have firstly examined the possibility mentioned in the Decision, of introducing into the fare scale on London Transport road services a fare of 3d. for 3 stages.

6. The Commission's firm opinion is that this proposal would not achieve the required result, for two reasons. Firstly they are of opinion that in London conditions it would be quite impracticable to operate a 3-stage fare: they are developing this point in a further memorandum which they will submit to the Tribunal before the resumed hearing commences. Secondly, the reduction in revenue effected would be far too great. It would be impossible to introduce a 3d. fare for 3 stages without introducing a 5d. fare for 5 stages, a 10d. fare for 11 stages and a 1s. fare for 13 stages, and without corresponding alterations in London Transport railway fares.

The reduction in revenue from these alterations, if they were feasible, would, as compared with the Scheme as submitted, be at least £1.75m.

7. After considering the above, and other possibilities, the Commission have reached the conclusion that there is no practical way of modifying the London Transport ordinary fares in the lower range of the scale so as to reduce the revenue to be obtained by London Transport from the Scheme to the order of £3.6m.

8. The Commission have, therefore, turned to examine modifications which could be made in the proposed scale for London Transport ordinary fares in the higher range. They find that in this range the required result can be achieved. Any modification, however, which is confined to reducing the proposed London Transport ordinary fares in this range will, by reason of assimilation, cause a heavy reduction in the yield from the proposed charges on the London Lines.

9. In the light of the considerations set out above in paragraph 2 it appears to the Commission essential to counteract the prejudicial effect upon London Lines of the only practical way of reducing the London Transport revenue to the required amount. This can in practice only be effected by a variation in the proposed scale of season ticket rates.

10. The Commission have accordingly devised the under-mentioned modifications in the Scheme and submit them for the consideration of the Tribunal:—

- (a) The scale for London Transport ordinary fares to be modified by making no increase in existing fares of 1s. and over. Similarly, there would be no increase in day return fares of 2s. and over on London Lines.
- (b) The scale for early morning single fares to be modified by reducing the early morning single fare for 5 and 6 miles from 5d. to 4d.
- (c) The scale for early morning return fares to be modified by reducing the fares for mileages from 5 to 10 miles inclusive by 1d.

The modification for mileages of 5 to 10 miles is consequential upon (a) and (b) and the preservation of the existing degree of assimilation. Early morning return fares over 10 miles are not affected and would remain as submitted since assimilation of road and rail charges for early morning travel has not hitherto been extended, because not necessary on traffic grounds, to distances over 10 miles.

- (d) The scales for season tickets to be modified so that they are based broadly upon those approved under the 1952 Scheme increased by approximately 10 per cent.

The effect of this will be to make some reduction in the season ticket rates for mileages from 2 to 7, but to increase the rates for mileages over 8, compared with those in the Scheme as submitted.

The details of the modified proposals, in so far as ordinary and early morning fares are concerned, are shown in Appendix 1 attached, and the suggested modified monthly season ticket scale is shown in Appendix 2.

5 July, 1954]

[Continued

Scales for weekly and three-monthly rates will be derived from the monthly rates in accordance with the existing formula.

11. The estimated yield from this modified Scheme, together with a comparison between that yield and the yield from the Scheme as submitted is as follows:—

	London Transport		London Lines	
	Yield from Modified Scheme	Comparison with yield from Scheme as submitted	Yield from Modified Scheme	Comparison with yield from Scheme as submitted
	£	£	£	£
Ordinary and day return	2,408,000	— 458,000	85,000	— 180,000
Early morning	1,181,000	— 182,000	290,000	— 100,000
Seasons	136,000	+ 22,000	450,000	+ 150,000
TOTAL	3,725,000	— 618,000	825,000	— 130,000

Thus, the total yield for the London Area under the proposed modifications will amount to £4,550,000 representing

a reduction of £748,000 as compared with the yield from the Scheme as submitted.

22nd June, 1954.

PROPOSED MODIFIED SCHEME
ORDINARY AND EARLY MORNING FARES

APPENDIX 1

Miles (1)	Existing			Proposed in Original Scheme			Modified Proposals			Modified Proposals compared with Original Scheme		
	Ordinary Single (2)	E.M. Single (3)	E.M. Return (4)	Ordinary Single (5)	E.M. Single (6)	E.M. Return (7)	Ordinary Single (8)	E.M. Single (9)	E.M. Return (10)	Ordinary Single (11)	E.M. Single (12)	E.M. Return (13)
1	s. d.	d.	s. d.	s. d.	d.	s. d.	s. d.	d.	s. d.	d.	d.	d.
2	2	2	4	2	2	4	2	2	4	—	—	—
3	3½	3	6	4	4	8	4	4	8	—	—	—
4	5	3	8	6	4	10	6	4	10	—	—	—
5	7	3	10	7	4	11	7	4	11	—	—	—
6	8½	4	1 0	9	5	1 2	9	4	1 1	—	—1	—1
7	10	4	1 2	11	5	1 4	11	4	1 3	—	—1	—1
8	1 0	4	1 4	1 1	5	1 6	1 0	5	1 5	—1	—	—1
9	1 1	4	1 5	1 2	5	1 7	1 1	5	1 6	—1	—	—1
10	1 3	4	1 7	1 4	5	1 9	1 3	5	1 8	—1	—	—1
Over 10	1 4	4	1 8	1 5	5	1 10	1 4	5	1 9	—1	—	—1
				+1d. on existing		+2d. on existing	as existing		+2d. on existing	—1	—	—

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[Continued]

PROPOSED MODIFIED SCHEME

APPENDIX 2

MONTHLY SEASON TICKET SCALE

Miles (1)	Existing (2)	Proposed in Original Scheme (3)	Modified Proposal (4)	Modified Proposal compared with Original Scheme (5)
	£ s. d.	£ s. d.	£ s. d.	s. d.
1	16 3	16 3	16 3	—
2	1 3	1 3 3	1 1 3	-2 0
3	1 4 3	1 6 3	1 4 9	-1 6
4	1 7 3	1 9 3	1 8 3	-1 0
5	1 10 3	1 12 3	1 11 6	-9
6	1 13 3	1 15 3	1 14 9	-6
7	1 16 3	1 18 3	1 18 0	-3
8	1 19 3	2 1 3	2 1 3	—
9	2 2 3	2 4 3	2 4 6	+ 3
10	2 5 3	2 7 3	2 7 9	+ 6
11	2 8 3	2 10 3	2 11 0	+ 9
12	2 11 3	2 13 3	2 14 3	+1 0
13	2 14 3	2 16 3	2 17 6	+1 3
14	2 17 3	2 19 3	3 0 9	+1 6
15	3 0 3	3 2 3	3 4 0	+1 9
16	3 2 9	3 4 9	3 7 0	+2 3
17	3 5 3	3 7 3	3 10 0	+2 9
18	3 7 9	3 9 9	3 13 0	+3 3
19	3 10 3	3 12 3	3 15 6	+3 3
20	3 12 9	3 14 9	3 18 0	+3 3
21	3 14 6	3 16 6	4 0 0	+3 6
22	3 16 3	3 18 3	4 2 0	+3 9
23	3 18 0	4 0 0	4 4 0	+4 0
24	3 19 9	4 1 9	4 6 0	+4 3
25	4 1 6	4 3 6	4 8 0	+4 6
26	4 3 3	4 5 3	4 10 0	+4 9
27	4 5 0	4 7 0	4 12 0	+5 0
28	4 6 9	4 8 9	4 14 0	+5 3
29	4 8 6	4 10 6	4 16 0	+5 6
30	4 10 3	4 12 3	4 18 0	+5 9
31	4 12 0	4 14 0	4 19 9	+5 9
32	4 13 9	4 15 9	5 1 6	+5 9
33	4 15 6	4 17 6	5 3 3	+5 9
34	4 17 3	4 19 3	5 5 0	+5 9
35	4 19 0	5 1 0	5 6 9	+5 9
40	5 7 9	5 9 9	5 15 6	+5 9
45	5 16 6	5 18 6	6 4 3	+5 9
50	6 5 3	6 7 3	6 13 0	+5 9

MEMORANDUM AS TO THE PRACTICABILITY OF INTRODUCING A FARE OF 3d. FOR 3 STAGES INTO THE FARES SCALE IN THE SIXTH SCHEDULE TO THE DRAFT BRITISH TRANSPORT COMMISSION (PASSENGER) CHARGES SCHEME 1954.

1. The British Transport Commission, in paragraph 6 of their Memorandum of 22nd June, 1954, containing their proposals for complying with the Preliminary Decision of the Transport Tribunal dated 10th June, 1954, referred to the impracticability of a 3d. fare for three stages in London conditions. The purpose of this memorandum is to develop that point.

The Resultant Scale of Fares

2. The introduction of a 3d. fare for three stages or $1\frac{1}{2}$ miles into the scale of ordinary fares proposed for London Transport road services (excluding coaches) would involve other consequential amendments in the scales for ordinary single fares, and for early morning return fares, as shown in the Appendix attached. It would be necessary to introduce, as a direct consequence, a 5d. fare (instead of 6d.) for five stages, a 10d. fare (instead of 11d.) for eleven stages, and a 1s. fare (instead of 1s. 1d.) for thirteen stages. These consequential amendments are quite unavoidable, because without them a passenger wishing to make, for example, a 2½ mile journey, could take a ticket for 1 mile (2d.) and book again for a further $1\frac{1}{2}$ miles (3d.) and thus undercut by 1d., without leaving his seat,

the scale fare of 6d. for 2½ miles for which Schedule 6 provides. Passengers would very quickly become aware of this method of reducing their costs. Furthermore, the conductors would require, and would have to be given, a ruling by the management as to their course of action if asked by a passenger whether it were in order for him to save a penny on his overall journey by paying for it in two parts. The management would be bound to instruct the conductors in such cases to advise the passenger that there was nothing to prevent him making a saving in this way, and, having given such an instruction, the management would quickly be brought into disrepute, if they continued to show the higher inoperative fares on the faretables. London Transport have always insisted that their faretables should be free from such rebooking anomalies, and could make no relaxation of this principle in the ordinary fares for road services.

3. It may be recalled that in 1946 the Charges Consultative Committee recommended to the Minister of Transport a scale of ordinary single fares for London Transport road services which included a rebooking anomaly of this kind and elements of single-stage charging, and that the Minister, while accepting the Committee's recommendations in other respects, altered the scale so as to eliminate these features following representations by the London Passenger Transport Board that they were unworkable (see *Hansard*, Parliamentary Debates, Vol. 428, No. 210, Columns 1063 to 1066).

5 July, 1954]

[Continued]

4. The suggestion for a 3d. fare for $1\frac{1}{2}$ miles could not be confined to Schedule 6 in view of the necessity for preserving assimilation between the fares of rail and road services. In many instances, the restriction of the 3d. fare for $1\frac{1}{2}$ miles, and its consequential to road services would mean that, between comparable rail and road points, the road fares would be 3d., 5d., 10d. or 1s., against rail fares of 4d., 6d., 11d. or 1s. 1d. respectively. In view of the widespread parallel operations of London Transport road and rail services in the London Area, this disparity would cause heavy diversions of passengers from rail to road and would be quite unacceptable on traffic grounds.

5. A further consequence of the suggestion would be a reduction in the cost of the return journey at certain $\frac{1}{2}$ mile distances for those who travel before 8.0 a.m. at early morning fares on the road services. In order to preserve assimilation of fares between road and rail, it would be necessary to make a corresponding reduction in the early morning return fares on the rail services to prevent diversions of traffic which would again be unacceptable.

Practical Considerations.

6. The introduction of a 3d. fare for three stages, and the consequential thereof, would mean that many fares on a route would change every half-mile, instead of every mile. Such a system of single-stage charging would, in the opinion of the Commission, render impossible any acceptable standard of efficiency in fare collection under London conditions.

7. The average speed for the central road services of London Transport is a little over 11 miles per hour. Fare-stage points are, on the average, about half-a-mile apart. The average time available to the conductor for the collection of fares between consecutive stage points thus works out at about $2\frac{1}{2}$ minutes. In the inner part of the central area, where the speed is below average, or in any places where a particular stage is much longer than the average, the time between consecutive farestage points may be increased to about 4 minutes. This time, however, includes time spent at stops, when the conductor should be on the platform controlling the boarding and alighting of passengers. Ideally, the conductor should get round his bus once between every pair of consecutive farestage points, but it is often impracticable, under heavy traffic conditions, for him to do so and collect all the fares due, even from those boarding at the farestage point, let alone those who board immediately, during the journey of the bus through only one farestage, a period seldom more than 4 minutes and often much less. Very frequently, the conductor will collect the fare after the passenger has travelled beyond the next stage point. The conductor endeavours to memorise where each passenger boarded, but failing this he will in practice either assume that the passenger boarded at the most recent stage point and charge him accordingly, or rely upon the passenger stating his boarding point. Where the conductor assumes that the passenger has boarded at the most recent stage

point, he will charge the correct fare under the present system of two-stage charging in 50 per cent. of such cases in any event; with single-stage charging, however, he would undercharge in 100 per cent. of these cases. With a system of single-stage charging, the opportunity for undercharging, even without any ill intention on the part of the passenger, would thus be greatly increased, and there would be a corresponding increase in the opportunity for deliberate underpayment in these conditions.

8. A second result of single-stage charging would be to enhance the possibility of deliberate over-riding to avoid the correct fare. Over-riding only to a small extent (say, one stop beyond the limit of a fare) is the least likely to be detected. If, for example, an ill-intentioned passenger wished to make a journey of $1\frac{1}{2}$ miles, he could pay the correct fare for $1\frac{1}{2}$ miles and might well ride the additional distance without paying for it, accepting the risk of being detected in the comparatively short distance of $\frac{1}{2}$ mile. Under the existing system of two-stage charging, however, the same passenger, in order to pay less than the correct fare, would have to over-ride for a distance of $\frac{3}{4}$ mile and would therefore be more likely to be detected and less likely to make the attempt.

9. The introduction of single-stage charging would complicate the conductor's task, in that the number of fares to be memorised would be considerably increased. For example, on a 10 mile bus route, there would be 100 separate fares recorded under the system of charging at present in operation and proposed in the draft scheme, but 152 separate fares under a system involving single-stage charging, even to the limited extent necessitated by a 3d. fare for three stages as shown in the Appendix, Col. 8. This would be likely to result in less efficient fare collection. If a conductor is unable to memorise all his fares, he can refer to the faretable, but this results in delay to fare collection and the possibility that a number of fares may thereby be lost.

10. Under the present system of charging by the mile, the existing standard of efficiency in fare collection is by no means perfect, but it can be maintained—and indeed constant efforts are being made to improve it. Under a much more refined system, however, with single-stage or half-mile charging, the present efficiency would be bound to drop to an altogether unacceptable level, and would be liable to progressive deterioration.

11. It is not possible to calculate the loss of revenue which would arise from the decline in efficiency in fare collection subsequent upon the introduction in London of a system of single-stage charging, but it is considered that the minimum loss from this cause alone would exceed £1 million per annum and might, with progressive deterioration, reach a considerably higher figure. This loss would be in addition to the reduction in revenue from the alterations, which has been estimated as amounting to "at least £1.75 million" in paragraph 6 of the Memorandum of 22nd June 1954.

28th June 1954.

5 July, 1954]

[Continued

APPENDIX

AMENDMENT TO SCALES OF ORDINARY AND EARLY MORNING FARES ARISING FROM THE SUGGESTED INTRODUCTION OF A 3d. ORDINARY FARE FOR $1\frac{1}{2}$ MILES INTO THE SCALES PROPOSED IN THE DRAFT B.T.C. (PASSENGER) CHARGES SCHEME 1954 AND COMPARISON WITH EXISTING SCALES

Miles (1)	Existing			As in Draft Scheme			Amended Proposals to include 3d. Fare on $1\frac{1}{2}$ Miles		
	Ordinary Single (2)	E.M. Single (3)	E.M. Return (4)	Ordinary Single (5)	E.M. Single (6)	E.M. Return (7)	Ordinary Single (8)	E.M. Single (9)	E.M. Return (10)
$\frac{1}{2}$	s. d.	d.	s. d.	s. d.	d.	s. d.	s. d.	d.	s. d.
$1\frac{1}{2}$	2	2	4	2	4	2	2	2	4
$1\frac{1}{2}$	3 $\frac{1}{2}$	3	6	4	4	8	3	3d.	6
2	3 $\frac{1}{2}$	2	6	4	4	8	4	4	8
$2\frac{1}{2}$	5	3	8	6	4	10	5	4	9
3	5	3	8	6	4	10	6	4	10
$3\frac{1}{2}$	7	3	10	7	4	11	7	4	11
4	7	3	10	7	4	11	7	4	11
$4\frac{1}{2}$	8 $\frac{1}{2}$	4	1 0	9	5	1 2	9	5	1 2
5	8 $\frac{1}{2}$	4	1 0	9	5	1 2	9	5	1 2
$5\frac{1}{2}$	10 $\frac{1}{2}$	4	1 2	11	5	1 4	10	5	1 3
6	10	4	1 2	11	5	1 4	11	5	1 4
$6\frac{1}{2}$	1 0	4	1 4	1 1	5	1 6	1 0	5	1 5
7	1 0	4	1 4	1 1	5	1 6	1 1	5	1 6
$7\frac{1}{2}$	1 1	4	1 5	1 2	5	1 7	1 2	5	1 7
8	1 1	4	1 5	1 2	5	1 7	1 2	5	1 7
$8\frac{1}{2}$	1 3	4	1 7	1 4	5	1 9	1 4	5	1 9
9	1 3	4	1 7	1 4	5	1 9	1 4	5	1 9
$9\frac{1}{2}$	1 4	4	1 8	1 5	5	1 10	1 5	5	1 10
10	1 4	4	1 8	1 5	5	1 10	1 5	5	1 10

The differences in columns 8, 9 and 10 compared with proposals in draft scheme (columns 5, 6 and 7), representing the inclusion of a 3d. Ordinary fare at $1\frac{1}{2}$ miles and consequential, are in *italics*.

BRITISH TRANSPORT COMMISSION ... Applicants
AND

THE LONDON COUNTY COUNCIL ... Objectors

MEMORANDUM CONTAINING THE SUBMISSIONS OF THE LONDON COUNTY COUNCIL FOR THE MODIFICATION OF THE ABOVE-NAMED SCHEME LODGED WITH THE TRANSPORT TRIBUNAL PURSUANT TO PARAGRAPH 2 OF THE TRANSPORT TRIBUNAL'S PRELIMINARY DECISION DATED 10TH JUNE, 1954.

1. The London County Council's proposals are directed towards producing an increase in revenue over that estimated by the British Transport Commission to be the revenue of the London Transport Executive for a year at existing charges of the order of £3.6 millions and at the same time to give a simple logical fare structure not open to the grave objections to which the above scheme must be subject.

2. The ordinary fare scale proposed by the Council is built on a 2d. minimum fare for journeys of up to one mile with 1d. increases for every additional half-mile fare stage up to 4 miles and thereafter as proposed in the above-named scheme except for a consequential introduction of a shilling fare for 13 stages ($6\frac{1}{2}$ miles).

3. This scheme avoids all large gaps in the fare structure and should in the Council's view reduce passenger resistance to fare increases to a minimum. By the re-introduction of a 3 penny fare for journeys between 1 and $1\frac{1}{2}$ miles, this scheme should, in the Council's view also recover the traffic lost by the increase of the 3d. fare to 3½d. in 1953.

4. The combined effect of the increases in fares in the ordinary scale, the reduction of the 3 stage fare to 3d., and the retention of existing fares at 5, 7 and 13 stages, will, in the Council's submission, produce a net yield on all travel at ordinary fares (including return journeys by early morning travellers) of the order of £2,846,216.

5. The proposed scale of ordinary fares affects the early morning scale, giving it a more even and logical pattern. Early morning tickets charged on the Council's scheme will, it is submitted, produce a net yield of £935,402.

6. The sum of these two is £3,781,618, slightly more than the target figure. This would make any increase in season ticket charges on the service of the London Transport Executive unnecessary. It should therefore be possible to keep season ticket charges on the same scale as that charged outside London.

7. In the Council's view, their proposals will produce broadly as much to the London Transport Executive as the Commission's revised scheme at less cost to the individual traveller.

8. The revised ordinary and early morning scales proposed by the Council will have a negligible effect on the earnings of London Lines, if these scales are extended to those services. The preservation of existing charges for season tickets would of course affect the revenues of London Lines envisaged under the above-named scheme. In relation to the total traffic of the London Area the amount is small, some £300,000, and should not in the Council's view affect the principle of assimilation.

9. The proposed scales, submitted by the Council, are contained in the appendix attached to this memorandum and are compared with the revised proposal of the Commission.

10. The Council will also submit that the new proposals of the Commission to increase season tickets rates by more than 2s. for a monthly season should not be entertained by the Tribunal. This proposal seriously affects the residents in Local Authority areas who are not represented before the Tribunal in this inquiry. The Council will submit that this new proposal should not be introduced now when the people most affected can have no opportunity of objecting.

2nd July, 1954.

5 July, 1954]

[Continued

APPENDIX to Memorandum of the London County Council

Mileage (1)	Fare Stages (2)	Present (3)	Fares		
			Commission's Proposals		Suggested Alternative (based on 3d. for 3 stages) (6)
			Original (4)	Modified (5)	
		s. d.	s. d.	s. d.	s. d.
1	1 } 2 }	2	2	2	2
2	3 } 4 }	3½	4	4	{ 3* 4
3	5 } 6 }	5	6	6	{ 5* 6
4	7 } 8 }	7	7	7	{ 7 8†
5	9 } 10 }	8½	9	9	9
6	11 } 12 }	10	11	11	11
7	13 } 14 }	1 0	1 1	1 0	{ 1 0* 1 1
8	15 } 16 }	1 1	1 2	1 1	1 2
9	17 } 18 }	1 3	1 4	1 3	1 4
10	19 } 20 }	1 4	1 5	1 4	1 5
Over 10	21 or over		+ 1d. on existing	as existing	+ 1d. on existing

* Less than originally proposed by Commission (3, 5 and 13 stages).

† More than originally proposed by Commission (8 stages).

APPENDIX (continued)

AMENDMENT TO SCALES OF EARLY MORNING FARES ARISING FROM L.C.C. SCALE

Mileage	Existing		Suggested scale	
	E.M. single (road)	E.M. return (rail)	E.M. single (road)	E.M. return (rail)
(1)	(2)	(3)	(4)	(5)
		s. d.	d.	s. d.
1	2	4	2	4
1½	3	6	3	6
2	3	6	4	8
2½	3	8	4	9
3	3	8	4	10
3½	3	10	4	11
4	3	10	4	1 0
5	4	1 0	5	1 2
6	4	1 2	5	1 4
6½	4	1 4	5	1 5
7	4	1 4	5	1 6
8	4	1 5	5	1 7
9	4	1 7	5	1 9
10	4	1 8	5	1 10

5 July, 1954]

[Continued]

SUGGESTIONS AS TO ALTERATIONS MADE ON BEHALF OF THE MAYOR, ALDERMEN AND BURGESSES OF THE COUNTY BOROUGH OF SOUTHEND-ON-SEA IN PURSUANCE OF THE PRELIMINARY DECISION OF THE COURT OF THE TRANSPORT TRIBUNAL:—

1. The Corporation of Southend-on-Sea note the Preliminary Decision made by the Tribunal on the 10th of June, 1954, and appreciate the opportunity given by the Tribunal for the Commission and the Objectors to furnish such suggestions as they may wish to put forward as to the alterations required to bring the Scheme into conformity with such decision.

2. Whilst it is observed that the Tribunal take the view that the existing degree of assimilation between the charges made by the London Transport Executive and those made in respect of the services provided on British Railways' London Lines should be preserved, it is submitted that such assimilation can only apply to the area in which the London Transport Executive operate.

3. It would therefore be consistent with such decision and equitable to travellers on London Lines if, among the alterations consequential upon that decision the following adjustments should be made in the draft Scheme and the Corporation suggest accordingly:—

(1) Wherever British Railways' London Lines extend beyond the area in which the London Transport Executive operate, the Scales of charges for season tickets for journeys,

(a) between stations on London Lines situated beyond the area of the London Transport Executive and

(b) between stations situated beyond the area of the London Transport Executive and stations situated within the area of the London Transport Executive,

subject to (2) hereunder, be the same as the Scales for British Railways generally, namely, the Scales applicable under the British Transport Commission (Passenger) Charges Scheme, 1953, as now in operation.

(2) For journeys (b) above the Scales of charges between any station situated just beyond the limits of the London Transport Executive area and a station within that area should not be less than those applicable between the boundary of that area and the other station in question within the area.

Dated this 22nd day of June, 1954.

(Signed) ARCHIBALD GLEN,
Town Clerk.

Municipal Buildings,
Clarence Road,
Southend-on-Sea.

STATEMENT SUBMITTED ON BEHALF OF THE MAYOR, ALDERMEN AND BURGESSES OF THE COUNTY BOROUGH OF SOUTHEND-ON-SEA TO THE COURT OF THE TRANSPORT TRIBUNAL IN REGARD TO THE MEMORANDUM CONTAINING THE BRITISH TRANSPORT COMMISSION'S SUGGESTIONS FOR THE MODIFICATION OF THE SCHEME, LODGED WITH THE TRANSPORT TRIBUNAL ON THE 22ND JUNE, 1954.

1. The Corporation of Southend-on-Sea (hereinafter called "the Corporation") welcomed the Preliminary Decision of the Tribunal that the Scheme should be modified in order to reduce the additional revenue sought by the London Transport Executive by approximately £700,000. They had hoped to find in the suggestions made by the British Transport Commission in response to the Tribunal's invitation an adjustment on the lines of the Corporation's own suggestions of 22nd June, which would leave the fares structure relating to season ticket holders in the Borough as it now exists and in accordance with the fares structure applicable to season tickets on British Railways generally.

2. The Corporation, however, upon examination of the Commission's Memorandum were alarmed to find that the Commission by an extraordinary arithmetical device of taking the answer to the financial problem and obtaining the right balance by a series of minuses and pluses, now propose to place an additional burden of £150,000 upon season ticket holders on London Lines over and above that already proposed in the original Scheme.

3. It is submitted that the monthly season tickets scale in Appendix 2 of the Memorandum so greatly differs from the original proposals of the Commission that it constitutes virtually a new Scheme. Apart from its effects it would be entirely improper to adopt it without the new proposals being treated as a new Scheme and all persons or bodies affected, whether Objectors to the present Scheme as originally deposited or not, given an opportunity of being heard in the matter. This immediately becomes apparent when it is pointed out that for the higher mileages in the Schedule the proposal under the original Scheme to increase the monthly season ticket rate by 2s. is now substituted by one to increase it by no less than 7s. 9d. It seems incredible that in order to make their total balance within the terms of the Tribunal's Preliminary Decision the Commission seem to have cast all other considerations aside.

Such an increase as is suggested would be grossly inequitable to long distance season ticket holders on London Lines. At present their rates for season tickets are the same as those that exist for other British Railways. To reach this parity of rate under earlier schemes the season ticket rates of the London, Tilbury and Southend Line were increased, whilst those on certain other British Railways were lowered. Having reached that state of parity and uniformity, which one gathered was the ideal at which the Commission aimed, they then produce the existing Scheme of 1954 which proposes a flat 2s. increase on all long distance season tickets for London Lines. The only ground for such increase is presumably because the Commission have chosen to classify these British Railways as London Lines, not because they are in a position to show that it is more expensive to operate the London, Tilbury and Southend Railway or other London Lines compared with other lines operated by British Railways.

The Commission have accepted the principle of a tailing scale in rates for season tickets, primarily on the grounds that tickets applicable to short journeys are used more frequently than those for longer ones. This principle might perhaps have been invoked to have accounted for the flat 2s. increase proposed. In the proposed modified Scheme a percentage increase is now proposed to be substituted, which would have very dire consequences for the long distance traveller.

In the Appendix is given an example of the effect which the proposal would have upon the charge for a monthly season ticket between Southend (Central) and Fenchurch Street, a distance of 36 miles. It will be observed that under the 1954 Scheme as submitted a ticket which prior to October, 1950, cost £3 11s. 0d. would have cost £5 2s. 9d., an increase of £1 11s. 9d., and under the new suggestion of the Commission the ticket would cost £5 8s. 6d., an increase, in total, of no less than £1 17s. 6d.

It was suggested at the hearing on behalf of the Commission that under the Scheme as submitted that the long distance season ticket having 2s. 0d. added to it like the short distance one, would enable a mathematically minded person to see that it is better business for him to live further out than close to London. People do not travel long distances, however, for the pleasure of having a cheaper mileage rate; they have to have regard to the actual cash outgoing for travel in its relation to the remainder of the family budget. The increase now proposed would, it is suggested, still further curtail the number of long distance season ticket holders and in this respect the repercussions of earlier increases have not yet had full effect owing to the housing problem. The result would be extremely bad for the County Borough of Southend and would ultimately further diminish the regular income of British Railways from long distance season ticket holders who use the railway constantly. On the other hand, it is proposed that a large proportion of the sum obtained from season tickets should be given to relieve the casual traveller who takes ordinary and day returns.

The Commission having put forward a draft Scheme in which they proposed, and endeavoured to justify, a flat 2s. 0d. increase rate on long distance season tickets, now, for the sake of striking a nice balance, which ignores the long term disastrous effect upon the long distance season ticket holder and the equally disastrous effect on income, suggest virtually a new Scheme which, so far as season ticket

5 July, 1954]

[Continued]

rates are concerned, constitutes the grossest of inequities, as between season travellers on lines classed as London Lines and season ticket travellers on British Railways generally.

The Corporation feel that the Commission in making these new proposals have manipulated the suggestion of the Transport Tribunal, which was intended to be a relief to one section of the community, into a most inequitable burden upon another section of the community and in doing so have entirely misconceived the spirit and intention with which the Tribunal put forward their Preliminary Decision.

The Corporation feel confident that the Tribunal will reject the Commission's proposals at any rate so far as long distance season tickets are concerned and see that equity is done.

Dated this 30th day of June, 1954.

(Signed) ARCHIBALD GLEN, Town Clerk.

Municipal Buildings,
Clarence Road,
Southend-on-Sea.

APPENDIX

MONTHLY THIRD CLASS SEASON TICKET RATES BETWEEN SOUTHEND (CENTRAL) AND FENCHURCH STREET (36 miles)

Prior to Oct. 1950	From Oct. 1950	From Mar. 1952	Under 1953 Scheme	Proposed by 1954 Scheme	Total Increase over pre-Oct. 1950	Now suggested	Total Increase over pre-Oct. 1950
£ s. d. 3 11 0	£ s. d. 4 2 6	£ s. d. 4 18 9	£ s. d. 5 0 9	£ s. d. 5 2 3	£ s. d. 1 11 9	£ s. d. 5 8 6	£ s. d. 1 17 6

THE FEDERATION OF RESIDENTS' ASSOCIATIONS IN THE COUNTY OF KENT.

48, The Knoll,
Hayes,
Kent.

17th June. 1954.

The Secretary,
Transport Tribunal,
Watergate House,
15, York Buildings,
Adelphi, London, W.C.2.

Dear Sir,

Application 1954 No. 3

THE BRITISH TRANSPORT COMMISSION (PASSENGER) CHARGES SCHEME, 1954

May we thank you for your letter of the 11th instant with a copy of the preliminary decision.

Naturally we approve of paragraph 3, the subject of which formed part of our own case, but would like to make the following observations:—

(1) 3d. for 3 stages means that every odd stage above 3 is necessarily a complete fare stage where no halfpenny is involved, e.g. 11 stages will be 10d., 8 stages=7d. plus 3 stages rebooked 3d.=10d. Re-booking on the buses in London is an old established custom.

(2) If bus fares are adjusted as above, then rail fares must follow or more traffic will be diverted to the congested roads, e.g. no 3d. on the Bakerloo will mean more buses at Trafalgar Square, Piccadilly Circus and Oxford Circus, surely very undesirable.

(3) As regards the London lines, in the B.T.C. scheme Part II paragraph 7 sub-paragraph (a) the words "of

2d. a mile" should be deleted and the words "as shewn in the 6th Schedule as revised" substituted. Cheap day returns are no answer to lower bus fares because:

(i) the passenger may not want to return the same day

(ii) he may not want to return to his starting point

(iii) if he takes the bus one way because he has missed the train he will return by bus.

It thus follows that the London lines will gain nothing by the higher fares. On the contrary they will lose what they have. EXAMPLES will be given if desired.

Your own paragraph 1 (b) deserves the strongest possible support, as being a far sighted long view. We therefore submit that the $\frac{1}{2}$ mile stage be restored on the London lines throughout bearing in mind that re-booking on the same train is NOT permitted. The by laws, which are strictly enforced, require the passenger to pay as excess the extra fare for the additional journey travelled, or the difference between the two fares, whichever is the greater. This is contrary to the bus fare position as already mentioned.

As between London Transport railways and British Railways there is no justification, economic or moral, to charge a higher rate per mile say to New Barnet than to High Barnet, or to Highams Park than to South Woodford, particularly as all were L.N.E.R. stations.

As requested we have pleasure in enclosing five plain copies. A signed copy has also been sent to Mr. M. H. B. Gilmour, Chief Solicitor to the B.T.C. at 4, Cowley Street, S.W.1.

Yours faithfully,

(Signed) F. A. RULER,
President.

5 July, 1954]

[Continued]

LCC 312

SUMMARY OF ESTIMATED DISCOUNTED YIELDS FROM SUGGESTED ALTERATIONS IN CHARGES

LONDON TRANSPORT EXECUTIVE SERVICES

Category (1)	Rail (2)	Central Road Services (3)	Country buses (4)	Coaches (5)	Total (6)
	£	£	£	£	£
1. Ordinary... ..	516,924	1,486,528 (a)	209,564 (a)	133,200 (c)	2,346,216
2. Early Morning Tickets...	258,450	614,271 (b)	62,676 (b)		935,397
3.			(Weekly Tickets)	4,753 (c)	4,753
4. TOTALS	775,374	2,100,799	272,240	137,953 (c)	3,286,366 say 3 29 m.
5. Amount necessary from recovery of "3d." traffic to accord with the Tribunal's Preliminary Decision ...					0 31
					3 60 m.
6. Minimum amount estimated from recovery of traffic					0 50 m.
7. Minimum estimated yield from suggested scheme					3 79 m.
8. Excess of estimated yield over Tribunal's Preliminary Decision					0 19 m.

NOTES.—(a) Including backward journeys of Early Morning passengers.

(b) Excluding backward journeys of Early Morning passengers.

(c) As in B.T.C. original draft scheme.

LCC 312—APPENDIX A

ESTIMATED ANNUAL INCREASES IN REVENUE FROM PROPOSED
SUGGESTED ALTERATIONS IN CHARGES

L.T.E.—RAILWAYS—ORDINARY FARES

Mileage (1)	Ordinary (Standard Fares)		"Z" Year at existing charges(a)	Gross Yield (5)	Discounted Yield (6)	Remarks (7)
	Existing (2)	Suggested (3)				
	s. d.	s. d.	£	£	£	Assumed Discount
1 ...	2	2				
1½ ...	3½	3	458,317	(less) 65,474	(less) 65,474	
2 ...	3½	4	687,475	98,211	58,927	5 per cent. loss
2½ ...	5	5	583,689	—	—	
3 ...	5	6	875,534	175,107	122,575	5 per cent. loss
3½ ...	7	7	602,131	—	—	
4 ...	7	8	903,196	129,028	77,417	5 per cent. loss
5 ...	8½	9	1,491,508	87,736	56,152	2 per cent. loss
6 ...	10	11	1,138,168	113,817	88,777	2 per cent. loss
6½ ...	1 0	1 0	389,793	—	—	
7 ...	1 0	1 1	584,690	48,724	36,056	2 per cent. loss
8 ...	1 1	1 2	875,367	67,336	48,482	2 per cent. loss
9 ...	1 3	1 4	701,318	46,755	31,793	2 per cent. loss
over 9 ...	over 1 3	over 1 4	2,043,556	105,193	62,219	2 per cent. loss
			TOTAL ...	806,433	516,924	

NOTE: (a) Calculated from BTC 810B, col. 3.

GENERAL NOTE—No allowance has been made for day returns or intervening fares where amounts involved are small.

5 July, 1954]

[Continued]

LCC 312—APPENDIX B

ESTIMATED ANNUAL INCREASES IN REVENUE FROM SUGGESTED ALTERATIONS IN CHARGES

L.T.E. ORDINARY FARES—ROAD SERVICES (EXCLUDING COACHES)

Mileage	Ordinary Single Fares		“Z” Year: Estimated number of passenger journeys (a)	Central Road Services		“Z” Year: Estimated number of passenger journeys (b)	Country Buses		Remarks
	Existing	Suggested		Gross Yield	Discounted Yield		Gross Yield	Discounted Yield	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	s. d.	s. d.		£	£		£	£	
1	2	2	318,899,931	(less) 664,375	(less) 664,375	27,236,599	(less) 56,743	(less) 56,743	
1½	3½	3	478,349,896	996,562	797,250	40,854,898	85,114	68,091	
2	5	5	126,677,549	—	—	12,814,234	—	—	
2½	5	5	190,016,323	791,735	712,562	19,221,350	80,089	72,080	
3	7	7	57,963,854	—	—	7,686,816	—	—	
3½	7	7	86,945,780	362,274	326,047	11,530,224	48,043	43,239	
4	8½	8	66,895,590	139,367	111,493	11,422,278	23,796	19,037	
5	10	11	39,477,144	164,488	131,590	7,745,184	32,272	25,818	
6	10	11	5,135,728	—	—	2,193,880	—	—	
6½	1 0	1 0	7,703,592	32,098	28,889	3,290,820	13,712	12,341	
7	1 0	1 1	6,215,303	25,897	23,309	2,651,428	11,048	9,943	
8	1 1	1 2	5,270,109	21,959	19,763	4,202,206	17,509	15,758	
Over 8	Over 1 1	Over 1 2							
			TOTAL ...	1,870,005	1,486,528	TOTAL ...	254,840	209,564	

NOTE.—(a) Calculated from LCC 310C—page 102.

(b) Calculated from LCC 310E—page 103.

GENERAL NOTE.—No allowance has been made for intervening fares where amounts involved are small; or, on country buses, for weekly tickets.

LCC 312—APPENDIX C

ESTIMATED ANNUAL INCREASES IN REVENUE FROM SUGGESTED ALTERATIONS IN CHARGES

EARLY MORNING TRAVEL—L.T.E. RAILWAYS

Single Mileage	Return Fare		“Z” Year at existing charges (a)	Gross Yield	Discounted Yield	Remarks
	Existing	Suggested				
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	s. d.	s. d.	£	£	£	
1½	6	6	21,208	—	—	
2	6	8	31,813	10,604	10,180	
2½	8	9	50,834	6,354	5,782	
3	8	10	76,250	19,062	18,109	
3½	10	11	65,452	6,545	5,825	
4	10	1 0	98,178	19,636	18,458	
5	1 0	1 2	252,133	42,022	39,081	
6	1 2	1 4	255,589	36,513	33,592	
6½	1 4	1 5	94,027	5,877	4,878	
7	1 4	1 6	141,040	17,630	16,044	
8	1 5	1 7	240,108	28,248	25,564	
9	1 7	1 9	209,077	22,008	19,697	
10	1 8	1 10	161,193	16,119	14,346	
Over 10	Over 1 8	Over 1 10	668,678	54,122	46,894	
			TOTAL ...	284,740	258,450	

(a) Calculated from 810 F.

5 July, 1954]

[Continued]

LCC 312—APPENDIX D

ESTIMATED ANNUAL INCREASES IN REVENUE FROM SUGGESTED ALTERATIONS IN CHARGES

EARLY MORNING TRAVEL—L.T.E. ROAD SERVICES (EXCLUDING COACHES), (EXCLUDING BACKWARD JOURNEY)

Service	Mileage	Early Morning Single Fare		Estimated No. of passenger journeys (LCC 310 C. & E.)	Estimated Gross Yield	Estimated Discounted Yield
		Existing	Suggested			
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Central Road Services	1½	d.	d.	15,216,256	£ —	£ —
	2	3	3			
	2½	3	4			
	3	3	4			
	3½	3	4	147,424,984	614,271	614,271
	4	3	4			
	5	4	5			
	6	4	5			
	6½	4	5			
	7	4	5			
Country Bus ...	8	4	5	1,311,712 15,042,288	62,676	62,676
	9	4	5			
	10	4	5			
	1½ Remainder	Scales as above d. 3 3 or 4	d. 3 4 or 5			

ALLOCATION OF 3½d. FARE

LCC 313A.

CENTRAL BUSES

A—EFFECT OF 1950 SCHEME

1. Existing (i.e., 1949) value of 2½d. fare (up to 2 miles)	£5,253,833	AV/57 Appendix C Col. 3 (p. 209) (Calculated)
2. Equivalent number of passenger journeys	504,367,968	
3. Hence number travelling between 1 and 1½ miles (50 per cent.) before 1950 increase	252,183,984	
4. Deduct 20 per cent. who drop back to 1½d. fare	50,436,797	
5. ∴ Number of 3d. journeys for distance up to 1½ miles after 1950 increase ...	201,747,187	Percentages as given by Mr. Valentine p. 97, Q. 711
6. Existing (i.e., 1949) number of journeys (line 2)	504,367,968	
7. Deduct loss due to "cutback" (line 4)	50,436,797	Percentage as given by Mr. Valentine p. 97, Q. 711
8. Balance of journeys	453,931,171	
9. Deduct "loss" of journeys at 1 per cent.	4,539,311	
10. ∴ Total number of 3d. journeys after 1950 increase	449,391,860	
Total number of 3d. journeys after 1950 increases—		
11. Distances up to 1½ miles (line 5)	201,747,187 = 45 per cent.	
12. Distances over 1½ miles (balance)	247,644,673 = 55 per cent.	
13. Total (line 10)	449,391,860 = 100 per cent.	

ALLOCATION OF 3½d. FARE

LCC 313B.

CENTRAL ROAD SERVICES

B.—EFFECT OF 1952 SCHEME

1. "X" year at existing charges, total estimated revenue from 3d. fare	£9,420,691	BTC 218A Appendix C Col. 3 (p. 150) (Calculated)
2. Equivalent number of passenger journeys	745,655,280	Percentage as Part A, line 11
3. Number of 3d. journeys for distances up to 1½ miles before 1952 increase, at 45 per cent.	335,544,876	BTC 218A Appendix C Col. 3 (Calculated)
4. "X" year at existing charges, total estimated revenue from 4d. fare	£5,058,315	BTC 218A Appendix C Col. 9
5. Equivalent number of passenger journeys	303,498,900	
6. Number of passengers who drop back to proposed 3½d. fare at 10 per cent.	30,349,890	
Total number of 3d. journeys after 1952 scheme:—		
7. Distances up to 1½ miles (line 3)	335,544,876	= 43 per cent.
8. Distances over 1½ miles (balance)	440,460,294	= 57 per cent.
9. Total (line 2 plus line 6)	776,005,170	= 100 per cent.

5 July, 1954]

[Continued

ALLOCATION OF 3½d. FARE

LCC 313C.

CENTRAL ROAD SERVICES

C.—EFFECT OF 1953 SCHEME

1. "Y" year at existing charges, total estimated revenue from 3d. fare	£10,369,443	BTC 510C Col. 3
2. Equivalent number of passenger journeys	829,555,440	
3. Number of 3d. journeys for distances up to 1½ miles before 1953 increases, at 43 per cent.	356,708,839	Percentage as Part B, line 7
4. Deduct drop back to 2d. fare, 5 per cent. of total (line 2)	41,477,772	BTC 510C Col. 9
5. Number of 3½d. journeys for distances up to 1½ miles after 1953 increase	315,231,067	
6. Total number of 3½d. journeys after 1953 Scheme (line 2 less line 4)	788,077,668	
7. Distances up to 1½ miles (line 5)	315,231,067	= 40 per cent.
8. Distances over 1½ miles (balance)	472,846,601	= 60 per cent.
9. Total (line 6)	788,077,668	= 100 per cent.

LCC 314A

COMPARISON BETWEEN ESTIMATED REVENUE FOR "Y" YEAR (INCLUDING GROSS YIELD) AND
ESTIMATED REVENUE FOR "Z" YEAR AT EXISTING CHARGES

LONDON TRANSPORT EXECUTIVE—RAIL—ORDINARY FARES

Ordinary pre-1953 scheme (1)	Fare existing (2)	Revenue for "Y" year before 1953 scheme (3)	Gross Yield 1953 scheme (4)	Revenue for "Y" year (including Gross Yield) (5)	Revenue for "Z" year at existing charges (6)	Comparison column 6 with column 5 (7)	Apparent discount as percentage of Gross Revenue (8)
s. d.	s. d.	£	£	£	£	£	Per cent.
1½	2	5,854	1,951	7,805	—	—	—
2	2	486,115	—	486,115	493,920	+ 2,137	+ 0.4
3	3½	1,085,063	180,844	1,265,907	1,145,792	— 120,115	— 9.5
5	5	1,434,814	—	1,434,814	1,459,223	+ 24,409	+ 1.7
6	7	1,415,874	235,979	1,651,853	1,505,327	— 146,526	— 8.9
8	8½	1,466,609	91,663	1,558,272	1,491,508	— 66,764	— 4.3
9	10	1,057,171	117,463	1,174,634	1,138,168	— 36,466	— 3.1
11	1 0	934,465	84,951	1,019,416	974,483	— 44,933	— 4.4
1 0	1 1	845,851	70,488	916,339	875,367	— 40,972	— 4.5
1 2	1 3	689,399	49,243	738,642	701,318	— 37,324	— 4.2
Over 1 2	Over 1 3	2,015,511	109,771	2,125,282	2,043,556	— 81,726	— 4.2
Total all fares	...	11,478,508	942,993	12,421,501	11,913,000	— 508,501	— 4.1

References:—BTC 510, App. B and BTC 810B.

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[Continued]

LCC 314 B

COMPARISON BETWEEN ESTIMATED REVENUE FOR "Y" YEAR (INCLUDING GROSS YIELD) AND ESTIMATED REVENUE FOR "Z" YEAR AT EXISTING CHARGES

LONDON TRANSPORT EXECUTIVE CENTRAL ROAD SERVICES

ORDINARY FARES (INCLUDING BACKWARD JOURNEYS OF E.M. PASSENGERS)

Ordinary Fare		"Y" Year Number of passenger journeys	"Y" Year Revenue including Gross Yield	"Z" Year Number of passenger journeys	"Z" Year Revenue at existing charges	Comparison between "Z" Year and "Y" Year Col. 6 with Col. 4 (7)	Col. 7 expressed as percentage of Col. 4 (8)
Pre-1953 Scheme	Existing						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
s. d.	s. d.		£		£	£	Per cent.
1½	2	88,704,160	12,676,691	1,495,453,440	12,462,111	— 214,580	— 1·7
2	3	1,432,498,800					
3	3½	865,691,440	12,625,461	797,249,827	11,626,560	— 998,901	— 7·9
3½	3½	54,445					
5	5	297,018,144	6,187,878	316,693,872	6,597,789	+ 409,911	+ 6·6
6	7	159,779,560	4,660,237	144,909,634	4,226,531	— 433,706	— 9·3
8	8½	73,218,040	2,593,139	66,895,990	2,369,233	— 223,906	— 8·6
9	10	36,011,573	1,500,482	39,477,144	1,644,881	+ 144,399	—
11	1 0	12,312,632	615,631	12,839,320	641,966	+ 26,335	—
1 0	1 1	8,067,832	437,008	6,215,303	336,662	— 100,347	—
Over 1 0	Over 1 1	8,053,855	529,488	5,270,109	338,264	— 191,224	—

References—L.C.C. 310A (page 101), BTC 503 and 803.

NOTE.—Column 8 has not been completed in the higher fare ranges as passenger journeys as shown by "tickets" for "Y" and "Z" years are not comparable.

LCC 314C

COMPARISON BETWEEN ESTIMATED REVENUE FOR "Y" YEAR (INCLUDING GROSS YIELD) AND ESTIMATED REVENUE FOR "Z" YEAR AT EXISTING CHARGES

LONDON TRANSPORT EXECUTIVE—COUNTRY BUSES

ORDINARY FARES (INCLUDING BACKWARD JOURNEYS OF E.M. PASSENGERS)

Ordinary Fare		"Y" Year Number of passenger journeys	"Y" Year Revenue including Gross Yield	"Z" Year Number of passenger journeys	"Z" Year Revenue at existing charges	Comparison between "Z" Year and "Y" Year Col. 6 with Col. 4 (7)	Col. 7 expressed as percentage of Col. 4 (8)
Pre-1953 Scheme	Existing						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
s. d.	s. d.		£		£	£	Per cent.
1½	1½	18,935,840	773,839	2,339,200	740,763	— 33,076	— 4·3
2½	2	73,924,800		87,137,160			
3	3½	77,178,000	1,125,513	68,091,497	993,001	— 132,512	— 11·8
5	5	29,926,224	623,463	32,035,584	667,408	+ 43,945	+ 7·0
6	7	20,381,640	594,465	19,217,040	560,497	— 33,968	— 5·7
8	8½	12,630,070	447,315	11,422,278	404,539	— 42,776	— 9·6
9	10	7,476,560	311,523	7,745,184	322,716	+ 11,193	—
11	1 0	4,437,251	221,863	5,484,700	274,235	+ 52,372	—
1 0	1 1	8,467,252	458,643	2,651,428	143,619	— 315,024	—

References—L.C.C. 310A (page 101), B.T.C. 503 and 803.

NOTE.—Details for existing fares over 1s. 1d. and details in Col. 8 for certain other lower fares have been omitted as passenger journeys as shown by tickets for "Y" and "Z" years are not comparable.

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[Continued]

Sheet 1

LONDON TRANSPORT EXECUTIVE

ESTIMATED ANNUAL REVENUE FOR "Z" YEAR AT EXISTING CHARGES AND ESTIMATED ANNUAL INCREASES OR DECREASES IN REVENUE FROM THE INTRODUCTION OF A 3d. FARE FOR 1½ MILES (AND CONSEQUENTIAL ALTERATIONS IN HIGHER FARES) INTO THE SCALE OF ORDINARY FARES PROPOSED IN THE DRAFT BRITISH TRANSPORT COMMISSION (PASSENGER) CHARGES SCHEME, 1954

ORDINARY (excluding backward journeys of road early morning singles)

Miles	Ordinary (Standard Fares)		"Z" Year at Existing Charges	Gross Yield or Loss	Discounted Yield or Loss	Remarks
	Existing (2)	Proposed (3)				
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	s. d.	s. d.	£	£	£	
RAILWAYS						DISCOUNTS
1½	2	2	496,057	—	—	
1½	3½	3	572,896	-81,842	-72,021	2 per cent. increase in traffic assumed.
2	3½	4	572,896	81,842	47,469	5 per cent. loss assumed and 1 per cent. drop back to 3d.
2½	5	5	729,612	—	—	
3	5	6	729,611	145,923	97,768	5 per cent. loss assumed and 3 per cent. drop back and still pay 5d.
3½	7	7	752,664	—	—	
4	7	7	752,663	—	—	
4½	8½	9	745,754	43,868	35,972	} 1 per cent. loss assumed. (As BTC 810, Appendix B).
5	8½	9	745,754	43,868	35,972	
5½	10	10	569,084	—	—	
6	10	11	569,084	56,908	50,648	1 per cent. loss assumed.
6½	1 0	1 0	487,242	—	—	
7	1 0	1 1	487,241	40,604	35,326	1 per cent. loss assumed.
7½	1 1	1 2	437,684	33,667	28,954	} 1 per cent. loss assumed. (As BTC 810, Appendix B).
8	1 1	1 2	437,683	33,668	28,955	
8½	1 3	1 4	350,659	23,377	19,637	} 1 per cent. loss assumed. (As BTC 810, Appendix B).
9	1 3	1 4	350,659	23,377	19,637	
Over 9	Over	Over	2,043,556	105,193	83,706	1 per cent. loss assumed. (As BTC 810, Appendix B).
Odd items less than 9 miles	...	...	82,201 (Say)	2,250	1,825	
TOTAL	...	...	11,913,000	552,703	413,848	
As submitted to Transport Tribunal (BTC 810, Appendix B)	...	...	...	960,168	705,328	
CENTRAL ROAD SERVICES AND COUNTRY BUSES						
1	2	2	13,188,254	—	-171,671	
1½	3½	3	6,008,489	-858,355	-600,849	5 per cent. increase in traffic assumed (transferred from 1 mile).
2	3½	4	6,008,489	858,356	729,603	7½ per cent. drop back to 3d.
2½	5	5	3,007,508	—	—	
3	5	6	3,007,507	601,502	541,352	10 per cent. drop back and still pay 5d.
3½	7	7	1,612,835	—	—	
4	7	7	1,612,834	—	—	
4½	8½	9	1,333,489	78,441	62,752	} 5 per cent. assumed to drop back to 7d. (As BTC 810, Appendix C).
5	8½	9	1,333,488	78,442	62,753	
5½	10	10	836,625	—	—	
6	10	11	836,624	83,663	81,990	2 per cent. assumed to drop back and still pay 10d.
6½	1 0	1 0	317,141	—	—	
7	1 0	1 1	317,141	26,428	25,900	2 per cent. assumed to drop back and still pay 1s. 0d.
7½	1 1	1 2	154,265	11,866	11,628	} 2 per cent. assumed to drop back to 1s. 1d. (As BTC 810, Appendix C).
8	1 1	1 2	154,264	11,867	11,629	
Over 8	Over	Over	289,724	17,612	16,908	2 per cent. assumed to drop back to next lower fare. (As BTC 810, Appendix C).
Odd items less than 8 miles	...	...	1,368,118 (Say)	40,000	31,000	
TOTAL	...	...	41,386,795	949,822	802,995	
As submitted to Transport Tribunal (BTC 810, Appendix C)	...	...	...	3,409,150	2,020,954	
TOTAL RAIL AND ROAD SERVICES (excluding Coaches)	...	...	...	1,502,525	1,216,843	
As submitted to Transport Tribunal (BTC 810, Appendices B and C)	4,369,318	2,726,282	
Decrease on Scheme	2,866,793	1,509,439	

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[Continued

LONDON TRANSPORT EXECUTIVE

Sheet 2

ESTIMATED ANNUAL REVENUE FOR "Z" YEAR AT EXISTING CHARGES AND ESTIMATED ANNUAL INCREASES OR DECREASES IN REVENUE FROM ALTERATIONS IN EARLY MORNING CHARGES CONSEQUENTIAL UPON THE ALTERATIONS IN ORDINARY FARES SHOWN ON SHEET 1

EARLY MORNING (including backward journeys made, at ordinary fares, on Road Services)

Miles (1)	Early morning return fares		"Z" year at Existing Charges (4)	Gross Yield or Loss (5)	Discounted Yield or Loss (6)	Remarks (7)
	Existing (2)	Proposed (3)				
	s. d.	s. d.	£	£	£	
RAILWAYS						
1½	5	6	1,420	284	266	1 per cent. loss of passengers assumed, at fares taking an increase, in calculating the discounted yields
2	6	6	26,510			
2½	6	8	26,511	8,826	8,483	
3	8	9	63,542	7,943	7,585	
3½	8	10	63,542	15,885	15,091	
4	10	11	81,815	8,184	7,284	
4½	10	11	81,815	8,184	7,284	
5	1 0	1 2	126,066	21,012	19,541	
5½	1 0	1 2	126,067	21,011	19,540	
6	1 2	1 3	127,794	9,129	7,760	
6½	1 2	1 4	127,795	18,256	16,795	
7	1 4	1 5	117,533	7,346	6,097	
7½	1 4	1 6	117,534	14,691	13,369	
8	1 5	1 7	120,054	14,124	12,782	
8½	1 5	1 7	120,054	14,124	12,782	
9	1 7	1 9	104,538	11,005	9,850	
9½	1 8	1 10	104,539	11,004	9,849	
10	1 8	1 10	80,597	8,060	7,173	
Over	Over	Over	80,597	8,059	7,172	
10	1 8	1 10	668,678	54,122	46,494	
TOTAL			2,367,000	261,259	235,197	
As submitted to Transport Tribunal (BTC 810, Appendix F)				294,502	267,887	
CENTRAL ROAD SERVICES AND COUNTRY BUSES						
1½	6½	6	559,540	-43,041	-37,876	1 per cent. gain in passengers assumed.
2	6½	8	559,542	129,124	122,238	
2½	8	9	1,000,145	125,019	120,018	
3	8	10	1,000,146	250,035	237,533	
3½	10	11	1,115,236	111,526	107,065	
4	10	11	1,115,237	111,526	107,065	
4½	1 0½	1 2	78,525	9,423	8,544	
5	1 0½	1 2	78,526	9,422	8,543	
5½	1 2	1 3	206,043	14,718	13,982	
6	1 2	1 4	206,044	29,434	27,079	
6½	1 4	1 5	187,945	11,747	11,160	
7	1 4	1 6	187,947	23,492	21,378	
7½	1 5	1 7	112,299	13,212	11,957	
8	1 5	1 7	112,300	13,211	11,956	
8½	1 7	1 9	108,558	11,428	10,228	
9	1 7	1 9	108,561	11,425	10,225	
9½	1 8	1 10	104,285	10,428	9,281	
10	1 8	1 10	104,286	10,427	9,280	
TOTAL			6,945,205	852,556	809,656	
As submitted to Transport Tribunal (BTC 810, Appendix G)				1,176,207	1,094,993	
TOTAL RAIL AND ROAD SERVICES (excluding Coaches)				1,113,815	1,044,853	
As submitted to Transport Tribunal (BTC 810, Appendices F and G)				1,470,709	1,362,880	
Decrease on Scheme				356,894	318,027	

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